

3

SECTION

PERFORMANCE AND REWARD OUTCOMES

3.1 SUMMARY OF 2022 OUTCOMES

The table below illustrates AMP's performance over the past five years and remuneration outcomes.

	2018	2019	2020	2021	2022
Financial results					
Profit (loss) after tax attributable to shareholders (\$m)	28	(2,467)	177	(252)	387
Net profit after tax (underlying) (\$m) ¹	680	439	233	356	184
Cost to income ratio (%) ¹	56	66	76	67	72
Shareholder outcomes					
Total dividends paid during the year (cents per share)	14	–	10	–	–
Share price at 31 December (\$)	2.45	1.91	1.56	1.01	1.31
Remuneration outcomes					
Relative TSR percentile ²	8th	–	–	n/a	n/a
LTI vesting outcome (% of grant)	–	–	–	n/a	n/a
Average STI received by Executive KMP (as % of target opportunity) ³	–	46	–	39	88
Average STI received by Executive KMP (as % of maximum opportunity)	–	23	–	20	44

1 NPAT (underlying) represents shareholder attributable net profit or loss after tax after excluding non-recurring revenue and expenses. Note, NPAT (underlying) and associated cost to income ratio for financial years 2018 – 2021 are as reported and have not been restated to reflect the removal of AMP Capital discontinued operations from NPAT (underlying).


2 No LTI grants were tested during 2021 and 2022.

3 The average STI received by Executive KMP excludes Shawn Johnson who is eligible for 1.2% of AMP Capital modified profit pro rated for time in role and does not represent a percentage of a STI opportunity. The average STI outcome is higher in 2022 than 2021, as this table reflects the KMP as at the reporting date and due to a smaller KMP cohort for 2022, the average is higher.

Remuneration report

3.2 PERFORMANCE OBJECTIVES AND ASSESSMENT

As part of the board’s commitment to provide increased transparency regarding the financial and non-financial objectives, detailed below are objectives and measures used to assess company and executive performance. The scorecard is underpinned by five key priorities, which have objectives, metrics and targets that were set at the beginning of 2022. Achievements against these objectives were used by the board as one of the key inputs in determining the incentive pool (excluding AMP Capital).



Finance




WEIGHTING	% ACHIEVED	WEIGHTED OUTCOME
	45%	13.5%

Financial performance was assessed on three measures.

Return on equity of 9.0% was below the target.

AMP’s statutory net profit for the year was \$387m and included the proceeds of the AMP Capital sale of the infra-debt business.

AMP delivered an underlying net profit of \$184m supported by strong earnings in AMP Bank, continuing growth in the Platforms business and a strong contribution from our strategic partnership with China Life Pension Company.

OBJECTIVE	METRIC
Manage return on equity	Return On Equity (statutory)
ACHIEVEMENT	 <div style="display: flex; justify-content: space-between; font-size: 10px; margin-top: 5px;"> Significantly below Below Achieved Exceeded </div>
Improve profitability	Net Profit After Tax (statutory)
ACHIEVEMENT	 <div style="display: flex; justify-content: space-between; font-size: 10px; margin-top: 5px;"> Significantly below Below Achieved Exceeded </div>
Improve profitability	Net Profit After Tax (underlying)
ACHIEVEMENT	 <div style="display: flex; justify-content: space-between; font-size: 10px; margin-top: 5px;"> Significantly below Below Achieved Exceeded </div>

3.2 PERFORMANCE OBJECTIVES AND ASSESSMENT *continued*



Strategy

WEIGHTING



% ACHIEVED

38%

WEIGHTED OUTCOME

7%

Bank experienced good growth during the year, however in response to market conditions, we focused on sustainable growth rather than pursue a mortgage book growth target at the cost of profitability.

Our North platform is increasing the percentage of cash flows from the independent financial adviser market and we have made good progress in our financial advice business, as we continue the repositioning of the business as a professional services provider to aligned financial advisers.

As a result of our strengthened capital position, we commenced the return of \$1.1b to shareholders. We completed \$267m of an announced \$350m on-market buy-backs, with further capital return to take place subject to shareholder and regulatory approval. In 2022, we continued to control costs and delivered against our three-year cost out transformation objective.

OBJECTIVE	METRIC
Grow the bank	Mortgage book growth
ACHIEVEMENT	
	Significantly below Below Achieved Exceeded
Grow the Platform business	Net cashflow total platforms
ACHIEVEMENT	
	Significantly below Below Achieved Exceeded
Commence second tranche of capital return	Tracking to plan (RAG)
ACHIEVEMENT	
	Significantly below Below Achieved Exceeded
Simplify the business	Achieve target total cost base
ACHIEVEMENT	
	Significantly below Below Achieved Exceeded

Remuneration report

3.2 PERFORMANCE OBJECTIVES AND ASSESSMENT *continued*



Customer

WEIGHTING



% ACHIEVED

78%

WEIGHTED OUTCOME

15.5%

AMP recorded a RepTrak score of 57.2 which was an improvement on our 2021 score of 55. This is our highest year end result since the 2018 royal commission into the financial services industry, demonstrating that our reputation is recovering and trending upwards. The NPS score was 23 and despite not achieving target, good progress continues to be made with call centre wait times and operational service improving. New processes were introduced to assist customers online, including improvements to mortgage processing time and the launch of a direct-to-customer, rapid-approval digital mortgage product, resulting in overall enhanced digital and customer experiences.

OBJECTIVE

METRIC

Improve our brand and reputation Reputational score RepTrak

ACHIEVEMENT Significantly below Below Achieved Exceeded

Deliver to our customers Customer NPS

ACHIEVEMENT Significantly below Below Achieved Exceeded



People

WEIGHTING



% ACHIEVED

109%

WEIGHTED OUTCOME

22%

2022 continued to present challenges and uncertainty for our people through ongoing transformation and the sale of AMP Capital businesses. Notwithstanding, our employee satisfaction survey participation rates and scores increased to the highest in five years, 79% and 73 respectively, a two-point improvement from last year. We achieved our inclusion index and exceeded our gender diversity target of 40:40:20, with female representation at 45%. Evidence of our commitment to being a values-led organisation that supports our people, through a diverse and inclusive culture.

OBJECTIVE

METRIC

Improve employee engagement Employee satisfaction

ACHIEVEMENT Significantly below Below Achieved Exceeded

Build an inclusive culture Inclusion index

ACHIEVEMENT Significantly below Below Achieved Exceeded

Build an inclusive culture Gender diversity tracking (for senior executives)

ACHIEVEMENT Significantly below Below Achieved Exceeded

3.2 PERFORMANCE OBJECTIVES AND ASSESSMENT *continued*



Risk

WEIGHTING



% ACHIEVED

100%

WEIGHTED OUTCOME

10%

Overall risk scorecard performance declined slightly. The risk culture assessment was on target, with all areas of focus showing improvement over the year. Performance against risk appetite showed a slight decline, reflecting some metrics moving out of appetite due to holding excess capital as a result of the sales of the AMP capital business. We continue to work towards returning further capital to shareholders, subject to approvals.

OBJECTIVE

METRIC

Operate within risk appetite

95–100% compliance within stated risk appetite, and action plans where appropriate

ACHIEVEMENT



Significantly below Below Achieved Exceeded

Embed Risk Culture

Risk Culture self-assessment

ACHIEVEMENT



Significantly below Below Achieved Exceeded

BOARD DISCRETION AND INCENTIVE POOL DETERMINATION

The overall scorecard outcome was 68%. This is a solid result in a challenging year with the uncertainty of the macroeconomic environment, the continuing impacts of the pandemic and the decision to sell AMP Capital infrastructure and real estate businesses rather than pursue a demerger. The board determined an incentive pool of 70%. However, considering the results achieved under the CEO and Executive Committee's stewardship, the board have applied discretion and awarded an additional 15% that will be withheld (against the cash portion of the STI) until the commencement of the second tranche of capital return. This reflects the need to balance the reward, retention and motivation of employees whilst recognising and aligning to shareholder experience over the period. In arriving at a decision, the board especially considered progress on:

- Shareholder value creation – AMP's total shareholder return over the past 12 months was +30.2%.
- Portfolio strategy – significant progress on simplifying the portfolio, repositioning our core businesses in wealth management and retail banking and progress in executing the AMP Capital divestment strategy.
- Improving risk management and customer satisfaction, notwithstanding ongoing transformation and transactions.
- Improving employee engagement to 73, the highest in five years.
- Continued improvement in our reputation score, evidence our reputation is recovering.

SCORECARD RESULT

68%

POOL

70%

+

15%

WITHHELD

=

85%

TOTAL POOL

Remuneration report

3.3 ADJUSTMENT PRINCIPLES

The board may, in its absolute discretion, adjust outcomes where an event occurs that means the targets of the relevant scorecard objective are no longer appropriate. Situations where this discretion to adjust can be applied include:

- Material change to the strategic business plan.
- Material regulatory or legislative change.
- Material changes in external market or natural disasters.
- Significant out of plan business development such as acquisitions and divestments.

Adjustments should reflect the holistic contribution of employees/Executive KMP and exclude significant costs or gains that were unforeseen, were not in the ordinary course of business or were not the direct result of Executive KMP efforts. For 2022, no adjustments were made to any of the outcomes for the metrics making up the 2022 scorecard. The board did exercise discretion in determining the pool, refer to section 3.2 for further information.

3.4 EXECUTIVE AND EMPLOYEE PERFORMANCE AND CONTRIBUTION

For the Executive Committee, performance is assessed based on AMP and their business unit scorecards. In this way, an executive's performance is aligned to both company and their individual business unit performance. Their individual performance, conduct and how they demonstrate the values is also considered when determining the individual STI outcome. For all other employees, their performance assessment reflects achievement against agreed goals and objectives set based on the AMP key result areas combined with consideration of risk management, values and conduct in line with the performance management process and Code of Conduct. An individual's incentive opportunity and performance rating determine the portion of the incentive pool allocated to them.

3.5 SHORT-TERM INCENTIVES AWARDED

The following table shows the STI awarded to current and former Executive KMP for the 2022 performance year. It differs from the statutory table in Section 7.1 which is prepared according to Australian Accounting Standards.

	Fixed remuneration (FR) \$'000	Pro rated target STI opportunity ¹ \$'000	Total STI outcome awarded ² \$'000	Total Cash – 60%		Deferred equity – 40%	STI awarded as % of pro rated target STI opportunity ⁴ %	STI awarded as % of pro rated max STI opportunity ⁴ %
				Cash to be paid in March 2023 ³ \$'000	Cash withheld ³ \$'000	To be delivered in share rights ³ \$'000		
Executive KMP								
Alexis George	1,715	1,715	1,520	655	257	608	89%	44%
David Cullen	750	240	212	91	36	85	88%	44%
James Georgeson	750	750	660	284	112	264	88%	44%
Scott Hartley	900	900	720	297	135	288	80%	40%
Shawn Johnson ⁵	950	n/a	354	159	53	142	n/a	n/a
Rebecca Nash	700	224	197	85	33	79	88%	44%
Sean O'Malley	600	600	490	204	90	196	82%	41%
Nicola Rimmer-Hollyman	600	336	336	151	51	134	100%	50%
Total STI awarded			4,489	1,926	767	1,796		

1 For David Cullen, Rebecca Nash and Nicola Rimmer-Hollyman, the prorated opportunity reflects their prorated FR and incentive opportunities in line with their KMP period.

2 The STI outcome awarded is based on performance during 2022 and reflects their outcome in line with their KMP period.

3 Of the STI awarded, 60% is delivered in cash and 40% is delivered in share rights that will be granted in March 2023. However, as outlined in Section 3.2, the board have withheld a portion of the cash STI which will only be paid upon the commencement of the second tranche of the capital return, excluding ordinary dividends declared in the normal course.

4 Represents the STI award as a percentage of the pro rated target and max STI opportunity (which is 200% of target).

5 Shawn Johnson is eligible for 1.2% of AMP Capital modified profit prorated for time in role and does not represent a percentage of a STI opportunity. The outcome included under the Total STI outcome column has been prorated in line with his KMP period. 60% of the STI is paid in cash and the remaining 40% delivered in AMP share rights. In line with the other Executive Committee members, a portion of the cash STI will only be paid upon the commencement of the second tranche of the capital return.

4

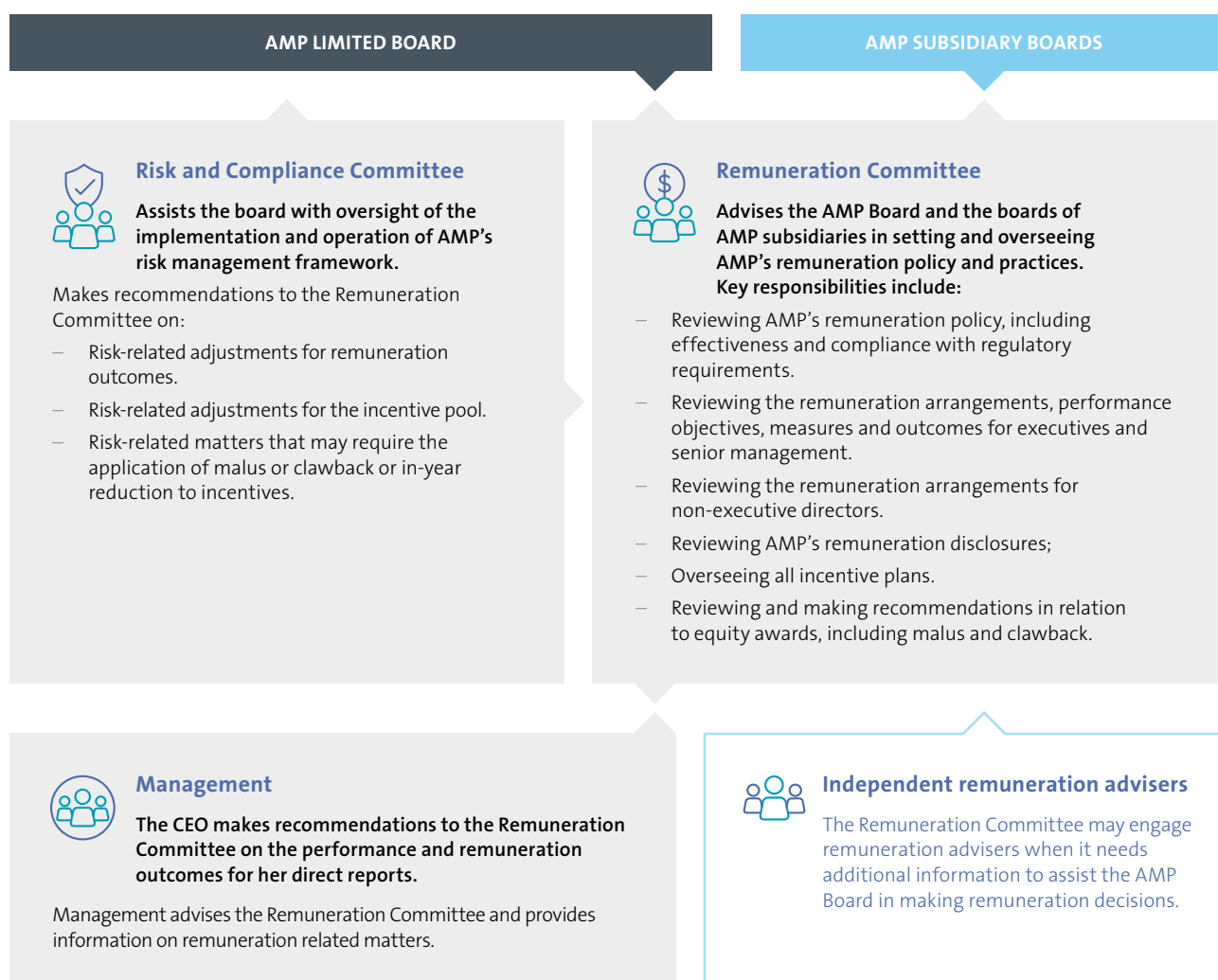
SECTION

REMUNERATION GOVERNANCE

4.1 GOVERNANCE FRAMEWORK

There are a number of remuneration governance and oversight processes in place at AMP, primarily exercised through the AMP Limited Board, subsidiary boards and the Remuneration Committee. The Remuneration Committee assists the various boards to fulfil their remuneration obligations by developing, monitoring and assessing remuneration strategy, policies and practices across AMP. Members of the Remuneration Committee are independent non-executive directors. More information on the role of the Remuneration Committee can be found in the corporate governance section of AMP's website. The board believes that to make prudent remuneration decisions, it needs both a robust framework and the ability to exercise judgement. Therefore, the board has adopted a remuneration adjustment framework to guide the board in determining the appropriate remuneration outcomes. Refer to Section 4.3 for further information on the remuneration adjustment guideline. From time to time the Remuneration Committee may seek external guidance or benchmarking information from independent remuneration advisers. Any advice provided by external advisers is used as a guide and is not a substitute for consideration of all the issues by each non-executive director of the Remuneration Committee. The Remuneration Committee did not engage any independent remuneration advisers who provided remuneration recommendations, as defined in the Corporations Act. The following diagram outlines AMP's remuneration governance framework.

REMUNERATION GOVERNANCE FRAMEWORK



Remuneration report

4.2 RISK MANAGEMENT IN REMUNERATION

The board has a range of mechanisms available to adjust remuneration and incentive outcomes to reflect behavioural, risk or compliance outcomes. The table below summarises the range of mechanisms available and their intended operation.

Risk assessment	Risk and conduct outcomes	Malus and clawback provisions	Board discretion
Enterprise and business unit levels	All employees	All incentive plans	
<p>The Chief Risk Officer (CRO) reports at each of the standing Remuneration Committee meetings, the overall assessment of risk management at the conclusion of the performance year as an input to the determination of the incentive pool.</p> <p>At the conclusion of each performance year, the Chair of the Risk and Compliance Committee (who is also a member of the Remuneration Committee) provides an overview of the key issues considered by the Risk and Compliance Committee that are likely to be relevant to assessing the remuneration outcomes for the CEO and Executive Committee members by the Remuneration Committee.</p>	<p>Employees' risk management behaviour and conduct is specifically considered as part of their performance assessment and in the determination of remuneration outcomes.</p> <p>The consequence management framework ensures that behaviour which does not meet expectations is actively and consistently managed, including adjustments to past, present and future remuneration if appropriate.</p>	<p>Allows the board to adjust and lapse (malus) unvested equity awards or reclaim (clawback) vested incentives in certain circumstances.</p> <p>All deferred incentives are subject to a conduct and risk review before vesting.</p> <p>This applies to current and former employees.</p>	<p>The board may apply its absolute discretion to adjust past, present and future remuneration, subject to the equity incentive plan rules governing the plan and in compliance with the relevant policies.</p> <p>It does this in line with the remuneration adjustment framework to provide greater consistency in remuneration adjustments (refer to section 4.3 below).</p>

The board exercises discretion to apply remuneration consequences to executives with overall accountability for matters arising in their business units with adverse risk, customer and/or reputational impacts. There is a standing agenda item at each Remuneration Committee for the CRO to present any risk related information the Committee should consider when making remuneration decisions. This also gives the Remuneration Committee an opportunity to make enquiries and have unfettered access to risk and internal audit executives. The Remuneration Committee considers both the achievement of the risk metrics as well as a risk overview when determining the incentive pool. Before every equity vesting event, management provides a report to the Committee to highlight if there is any reason, including risk considerations, why the Committee should exercise its discretion to lapse the unvested equity award.

AMP's consequence management framework was strengthened in 2021 and again in 2022 to align with best practice management of sexual harassment, other misconduct matters, and due to the implementation of CPS 511. AMP has a Consequence Management Committee (CMC), which was established to ensure consistent management of workplace conduct matters and application of AMP's Consequence Management policy. The CMC comprises the CEO, Chief People Officer and Chief Risk Officer as standing members. Statistics and insights on all conduct cases across AMP Limited are reported to the Risk and Compliance Committee on a biannual basis, following review by the CMC. Under the consequence management framework, all substantiated cases of misconduct require the application of a management and/or remuneration consequence. Where there is a recommendation from People & Culture (and as endorsed by the CMC) to apply malus or clawback of past remuneration as a part of the recommended remuneration consequence, submissions are made to the Remuneration Committee to exercise its discretion to lapse the unvested equity award.

During the year there were no conduct matters related to executives that needed to be taken into account in relation to 2022 performance. However, there were a number of conduct matters related to other employees that were substantiated and resulted in the application of formal consequences. At the time of this report, the annual remuneration review process is about to commence for employees (not including the Executive KMP), where conduct performance will be factored into any remuneration decisions.

While 2022 presented many challenges from a people perspective, including a competitive talent market and ongoing COVID related issues, total substantiated misconduct cases were lower in 2022 than the previous two years. This is a positive outcome and is largely driven by the work completed to uplift leadership training and enhanced communication of conduct expectations. Senior leadership continues to play an important role in setting the tone, driving cultural transformation and prioritising improvements to the level of support made available to employees as part of increased speak up channels.

4.3 REMUNERATION ADJUSTMENT GUIDELINES

The board has adopted a remuneration adjustment framework to provide guidance in exercising discretion related to past, present and future remuneration and to provide greater consistency in remuneration adjustments. The framework is considered at each remuneration decision point to identify whether there have been any material conduct or risk events that have impacted on shareholder experience, the reputation of the company or led to disciplinary action from our regulators.

This tool is intended to help the AMP Board in making potential downward adjustments to variable remuneration. It is not intended to be used as a prescriptive or formulaic decision tree, as board judgement will always need to be applied according to the facts and circumstances of a particular situation. Whilst the framework is designed to deal with material risk and conduct events, the board can also exercise its discretion to apply positive adjustments if appropriate.

The following chart is an example of the types of qualitative and quantitative indicators the board may consider in exercising discretion in relation to material conduct and risk events.

Considerations for adjusting remuneration



Remuneration report

5

SECTION

EXECUTIVE SHAREHOLDINGS AND CONTRACTS

5.1

EXECUTIVE MINIMUM SHAREHOLDING REQUIREMENTS

The relevant amount of AMP equity required to be held by the Executive Committee (which includes the Executive KMP) under minimum shareholding policy and the time to comply is as follows:

Category	Fixed pay	Timeframe	Securities included to meet requirement
CEO	200%	Executive KMP are expected to achieve the minimum shareholding requirement within a five-year period from commencement in their role	AMP Limited shares: Ordinary AMP Limited shares registered in the Executive KMP's name or a related party AMP share rights: Granted to executives through AMP's employee share plans
Executive KMP	100%		

Share rights allocated to Executive KMP are included to meet their minimum holding requirement only where future vesting is not subject to any further performance condition (other than a continued service condition). AMP Limited shares and/or share rights cannot be hedged.

Executive KMP are not expected to purchase shares to meet the requirement. Rather, it is expected that they would not sell any shares held (other than to cover arising tax liabilities) and that they will retain vested shares and share rights until the minimum requirement is reached.

5.2

SECURITIES HELD BY EXECUTIVE KMP

We assess compliance with our minimum shareholding requirement each year. The table below summaries the position of each Executive KMP as at 31 December 2022 against the requirement at the reporting date.

Executive KMP	Fixed pay ¹ \$'000	Unit balance #	Value of holding ² \$'000	Target date to meet requirement
Alexis George	1,715	1,925,980	2,533	1 August 2026
James Georgeson	700	747,432	983	n/a ³
Scott Hartley	900	328,268	432	10 January 2026
Sean O'Malley	600	460,776	606	14 November 2026
Nicola Rimmer-Hollyman	600	208,885	275	12 February 2027

1 Fixed pay includes cash salary plus superannuation and has been captured as an annualised amount in Australian dollars on 31 December 2022 to calculate the shareholding value.

2 The total value of each holding was calculated on 30 December 2022 using a closing price of \$1.315.

3 James Georgeson will depart AMP during 2023.

5.3 EXECUTIVE EMPLOYMENT CONTRACTS

Contract term	CEO	Executive KMP
Length of contract	Open-ended	Open-ended
Notice period	Six months by AMP or by Alexis George	Six months by AMP or the executive
Entitlements on termination	<ul style="list-style-type: none"> – Accrued fixed pay, superannuation and other statutory requirements. – Executives eligible for incentives may be awarded on a pro rata basis for the current period in the case of death, disablement, redundancy, retirement or notice without cause, subject to the original performance periods and hurdle. – Unvested rights will lapse if an executive resigns or is summarily dismissed before the vesting date. Should an executive cease employment for any other reason, any unvested rights will be retained and vest in the ordinary course subject to the original terms and performance conditions, if applicable. – Vested rights will be retained but are subject to clawback, for example, in the case of serious misconduct. – In the case of redundancy, the AMP Redundancy, Redeployment and Retrenchment Policy in place at the time will be applied. This is the same policy that applies to all employees at AMP. 	
Restrictions on termination benefits	AMP will not make payments on termination that require shareholder approval or breach the Corporations Act.	
Post-employment restraint	Six-month restraint on entering employment with a competitor and 12-month restraint on solicitation of AMP clients and employees.	

Fixed remuneration increases

The only fixed remuneration increase awarded is for the Group Executive AMP Bank, Sean O'Malley, whose remuneration will increase by 8.3%, effective 1 April 2023. This change reflects the fixed remuneration levels of similar roles in other ASX financial services entities and an acknowledgement of his contribution and performance since commencing in the role.

Remuneration report

6 SECTION

NON-EXECUTIVE DIRECTOR FEES AND SHAREHOLDING REQUIREMENTS

6.1 NON-EXECUTIVE DIRECTOR FEES

The Remuneration Committee is responsible for reviewing Non-Executive Director (NED) fees for AMP Limited and its main subsidiaries. In reviewing these fees, the Remuneration Committee has regard to a range of factors including the complexity of AMP's operations and those of its main subsidiaries, fees paid to board members of other Australian corporations of a similar size and complexity, and the responsibilities and workload requirements of each board and committee. The Remuneration Committee obtains market data and recommends any proposed fee changes to the AMP Limited Board for approval.

The total amount of NED fees paid is capped at a maximum aggregate fee pool approved by shareholders. The current fee pool is \$4.620m, which was approved by shareholders at the 2015 Annual General Meeting (AGM). The total remuneration earned by AMP Limited NEDs during 2022 was \$2.264m, which represents 49.0% of the annual fee pool compared with 56.2% earned in 2021. This represents an overall 12.8% cost reduction in aggregate NED fee spend year on year.

Between 1 January to 30 September 2022, all AMP non-executive directors continued to be members of each standing committee. This was to ensure that all non-executive directors were sufficiently well informed of the matters presented to the committees by management and advisers as AMP traversed significant and time-sensitive strategic and business transformation matters. A review of the board committee structure was conducted in mid-2022 and the board determined it was reasonable to reduce the number of members for each standing committee (other than the Nomination committee) as the transformation initiatives had stabilised. The changes were effected on 1 October 2022 and these changes resulted in a further reduction in the total fees paid to directors from that date, continuing the progressive reduction in director fees since 2019 by a total of 40.4%. The current members and role of each standing committee as at the date of this statement are set out in the Corporate governance statement.

As part of the committee structure review, AMP's board established two advisory groups for an initial six-month period to support and promote AMP's key strategic enablers. These advisory groups are tasked to conduct workshops and deep dives with management with their key focus on ESG & sustainability and technology transformation. The fee structure of the advisory groups is provided below.

The following table shows the annual NED fees for the Board and permanent committees of AMP Limited and its main subsidiaries for 2022.

	Chair base fee ¹ 2022 ³ \$	Member base fee ² 2022 ³ \$
AMP Limited		
Board	561,000	204,000
Audit Committee	46,750	21,590
Risk and Compliance Committee	46,750	21,590
Remuneration Committee	46,750	21,590
Nomination Committee	nil	nil
Demerger Due Diligence Committee ⁴	475/hr	337.50/hr
ESG Advisory Group	46,750	21,590
Technology Transformation Advisory Group	46,750	21,590
AMP Bank		
Board	nil	nil
Audit Committee	nil	nil
Risk and Compliance Committee	nil	nil

1 The Chair of AMP Limited does not receive separate committee fees.

2 No additional fees are paid to NEDs for their membership or for chairing the AMP Bank Limited Board.

3 There was a restructure of the AMP Limited and Bank Board committee memberships on 1 October 2022 to incorporate the establishment of the ESG & Sustainability and Technology Transformation Advisory Groups.

4 The Demerger Due Diligence Committee was removed effective 26 May 2022.

6.2 NON-EXECUTIVE DIRECTOR MINIMUM SHAREHOLDING

The minimum shareholding requirement (MSR) for NEDs is set out in AMP's minimum shareholding policy. Under this policy, NEDs are required to accumulate and hold a minimum value of AMP shares to ensure their interests are closely aligned with the long term interests of AMP shareholders. For the purposes of determining whether the minimum shareholding has been met, the value of each share held by a NED will be the share price at the time the share was acquired. As at the date of this report, these minimum values are:

- **AMP Limited Chair:** \$561,000 – the equivalent of the AMP Limited Chair base fee.
- **Other AMP Limited NEDs:** \$204,000 – the equivalent of the AMP Limited NED base fee.

NEDs are ordinarily expected to achieve these levels within four years of their appointment, see Section 6.3. The policy expects NEDs to apply at least 25% of their base fee each year to acquire AMP shares until the MSR has been met. NEDs are also encouraged to increase their ownership over their tenure. Any such acquisition of AMP shares may only occur when permitted to do so in accordance with AMP's Trading Policy. Between 2019 and 2022, opportunities for NEDs to acquire shares during the trading windows in accordance with AMP's Trading Policy were limited due to the on-going transactions, including the sale of AMP Life, portfolio review and sales of AMP Capital businesses. In 2022, NEDs have been able to increase their share ownership and have either met the MSR as at 31 December 2022, or are within the four-year period to achieve the MSR.

6.3 SECURITIES HELD BY NON-EXECUTIVE DIRECTORS

The following table details the shareholdings and movements in those shareholdings in AMP Limited held directly, indirectly or beneficially by NEDs or their related parties during the year and as at 31 December 2022. For this purpose, a NED's related parties are their close family members (as defined in the applicable accounting standard) and any entities over which the NED (or a close family member) has control, joint control or significant influence (whether direct or indirect).

NED	Balance on 1 Jan 2022 #	Shares acquired during the year #	Shares disposed during the year #	Balance on 31 Dec 2022 ¹ #	Value on 31 Dec 2022 per the MSR ² \$	Progress against the MSR
Debra Hazelton ³	274,562	125,723	–	400,285	519,934	14 June 2023
Andrew Best ⁴	–	100,000	–	100,000	109,084	1 July 2026
Rahoul Chowdry	100,000	–	–	100,000	205,000	31 December 2023
Michael Hirst ⁵	–	200,000	–	200,000	222,950	30 June 2025
Kathryn McKenzie ⁶	120,000	78,000	–	198,000	184,201	17 November 2024
Michael Sammells ⁷	70,000	50,000	–	120,000	148,780	29 February 2024
Andrea Slattery ⁸	139,975	64,000	–	203,975	296,578	14 February 2023
John O'Sullivan ⁹	88,194	–	–	88,194	n/a	n/a

1 As at 31 December 2022 and the date of this report, each of the current NEDs held a 'relevant interest' (as defined in the *Corporations Act 2001*) in the number of AMP shares disclosed above for that NED. For John O'Sullivan, the closing balance represents the date he ceased to be a KMP.

2 The total value of each holding was calculated as at 31 December 2022 using purchase price (per the Non-Executive Director Shareholding Policy).

3 Debra Hazelton purchased 89,687 AMP Limited shares on 31 May 2022 at a market price of \$1.115 per share and 36,036 shares on 31 August 2022 at a market price of \$1.110 per share.

4 Andrew Best purchased 50,000 AMP Limited shares in two tranches on 16 August 2022 at market prices of \$1.075 and \$1.0825 per share and 50,000 shares in two tranches on 17 August 2022 at a market price of \$1.085 and \$1.120 per share.

5 Michael Hirst purchased 80,000 AMP Limited shares on 1 June 2022 at a market price of \$1.095, 20,000 AMP Limited Shares on 2 June 2022 at a market price of \$1.105 per share and 100,000 AMP Limited shares on 17 August 2022 at a market prices of \$1.1325 per share.

6 Kathryn McKenzie purchased 50,000 AMP Limited shares on 30 May 2022 in two tranches at market prices of \$1.1025 and \$1.1050 per share and 28,000 AMP Limited shares on 18 August 2022 at a market price of \$1.125 per share.

7 Michael Sammells purchased 50,000 AMP Limited shares on 24 May 2022 at a market price of \$1.105 per share.

8 Andrea Slattery purchased 46,000 AMP Limited shares on 10 June 2022 at a market price of \$1.065 per share and 18,000 AMP Limited shares on 6 September 2022 at a market price of \$1.110 per share.

9 John O'Sullivan retired from the AMP Board on 8 April 2022.

Remuneration report

7

SECTION

STATUTORY TABLES

The following disclosures provide additional information and/or are required under the Corporations Act. This includes the 2022 Executive KMP remuneration that is prepared according to Australian Accounting Standards.

7.1 STATUTORY REMUNERATION DISCLOSURE

Statutory remuneration represents the accounting expense of remuneration in the financial year. It includes fixed remuneration, cash STI, the fair value amortisation expense of equity awards granted, long service leave entitlements and insurance, reflective of the relevant KMP period.

Year	Short-term employee benefits			Post-employment benefits	Share-based payments ⁴	Long-term benefits		Total ⁷ \$'000	
	Cash salary ¹ \$'000	Cash STI ² \$'000	Other short-term benefits ³ \$'000	Super-annuation benefits \$'000	Rights and options \$'000	Other ⁵ \$'000	Termination payments ⁶ \$'000		
Executive KMP									
Alexis George	2022	1,678	912	25	27	1,360	5	–	4,007
	2021	711	172	799	13	1,277	2	–	2,974
David Cullen ⁸	2022	230	127	18	8	286	(1)	–	668
	2021	717	180	410	25	1,156	19	–	2,507
James Georgeson	2022	724	396	14	26	1,756	12	–	2,928
	2021	725	186	403	25	1,040	134	–	2,513
Scott Hartley	2022	871	432	5	28	583	3	–	1,922
	2021	836	206	115	54	271	2	–	1,484
Shawn Johnson ^{8,9}	2022	270	212	45	45	94	–	–	666
	2021	472	274	69	16	286	–	–	1,117
Rebecca Nash ⁸	2022	217	118	(7)	8	108	2	–	446
	2021	87	15	14	3	39	–	–	158
Sean O'Malley	2022	565	294	36	26	467	27	–	1,415
	2021	73	14	31	3	54	2	–	115
Nicola Rimmer-Hollyman ⁸	2022	455	202	22	52	203	13	–	947
	2021	–	–	–	–	–	–	–	–
Former Executive KMP									
Phil Pakes ¹⁰	2022	93	–	5	4	(1,280)	(6)	291	(893)
	2021	663	–	426	25	784	4	–	1,902
Total	2022	5,103	2,693	163	224	3,577	55	291	12,106
	2021	4,284	1,047	2,205	164	4,907	163	–	12,770

- 1 Cash salary is inclusive of base salary and short-term compensated absences, less superannuation deductions.
- 2 Cash STI for 2022 reflects 60% of STI award outcome for the performance year for Executive KMP. As outlined in Section 3.2, the Board have withheld a portion of the cash STI which will only be paid upon the commencement of the second tranche of the capital return. For a breakdown of these amounts, refer to the table 3.5.
- 3 Other short-term benefits include non-monetary benefits and any related FBT exempt benefits and FBT payable benefits, for example car parking and leasing arrangements, insurances, professional memberships and subscriptions, employee referral bonuses, vouchers and the net change in annual leave accrued.
- 4 The values in the table reflect the current year expense for all share rights and performance rights outstanding at any point during the year. It is based on the fair value of each award which takes into consideration a number of factors, including the likelihood of achieving market-based vesting conditions such as total shareholder return. The cost of the award is amortised over the vesting period and updated at each reporting period for changes in the number of instruments that are expected to vest. For James Georgeson, as a result of his employment ending with AMP, the share-based payment expense reflects the acceleration of amounts that were expected to be amortised in future periods. For Phil Pakes, the negative value is due to the reversal of previously recognised expenses for awards that have lapsed.
- 5 Other long-term benefits represent the net change in long service leave accrued.
- 6 The termination payment for Phil Pakes includes five months' notice.
- 7 The total in this table for 2021 of \$12.770 million is different to the total for 2021 in the 2021 Remuneration Report as it does not include \$7.605 million for Francesco De Ferrari (former Chief Executive Officer, AMP) and \$4.979 million for Helen Livesey (former Group Executive, People and Corporate Affairs), reported in the 2021 Remuneration Report.
- 8 For David Cullen, Rebecca Nash, Shawn Johnson and Nicola Rimmer-Hollyman, the amounts disclosed in this table have been prorated to reflect their KMP period.
- 9 Shawn Johnson has points in AMP Capital carried interest arrangements. This is a form of performance fee funded by investors and standard market practice for closed end funds. No carried interest was realised and paid in 2022.
- 10 After the release of the 2021 Remuneration Report, Phil Pakes resigned from AMP and forfeited his 2021 STI.

7.2 LOANS AND OTHER TRANSACTIONS

AMP provides home loans to Australians to help them buy, build or renovate properties. The table below includes loans offered to executives in the ordinary course of business. These loans are on equivalent terms to those offered to other employees and shareholders.

The following table shows loan balances that exceed \$100,000 held by current and former Executive KMP during the reporting year. No Executive KMP held a loan balance of less than \$100,000.

KMP	Balance on 1 Jan 2022 \$'000	Written off \$'000	Net advances (repayments) \$'000	Balance on 31 Dec 2022 \$'000	Interest		Highest indebtedness during year \$'000
					charged \$'000	not charged \$'000	
Executive KMP							
Alexis George	–	–	680	680	10	–	687
James Georgeson	916	–	(5)	911	29	–	916
Scott Hartley	1,067	–	(43)	1,024	23	–	1,067
Sean O'Malley	1,622	–	(72)	1,550	52	–	1,622
Total (incl. related parties)¹	3,605	–	560	4,165	114	–	4,292

1 Four Executive KMP hold loans.

Other transactions

Executive KMP and their related parties may have access to AMP products and these products are provided to executives within normal employee terms and conditions. The products may include:

- personal banking with AMP Bank.
- the purchase of AMP insurance and investment products.
- financial investment services.

Remuneration report

7.3 EXECUTIVE SHARES AND SHARE RIGHTS HOLDING

The following table shows the number of shares and share rights held by Executive KMP or their related parties during 2022. A related party is typically a family member of the executive and/or is an entity in which the executive has direct or indirect control. The definition of units includes AMP Limited shares and share rights which are not subject to performance conditions.

Name	Type	Balance at 1 Jan 2022	Granted ¹	Exercised/ released ²	Forfeited/ lapsed	Other transactions ³	Balance on 31 Dec 2022 ⁴
Executive KMP							
Alexis George	Shares	1,148,669	–	328,260	–	–	1,476,929
	Share rights	508,563	268,748	(328,260)	–	–	449,051
David Cullen ⁵	Shares	336,383	–	52,000	–	–	388,383
	Share rights	226,054	281,250	(52,000)	–	–	455,304
James Georgeson	Shares	226,754	–	56,000	–	–	282,754
	Share rights	230,054	290,624	(56,000)	–	–	464,678
Scott Hartley	Shares	5,180	–	–	–	1,214	6,394
	Share rights	–	321,874	–	–	–	321,874
Shawn Johnson ⁵	Shares	–	–	–	–	–	–
	Share rights	–	428,706	–	–	–	428,706
Rebecca Nash ⁵	Shares	–	–	–	–	–	–
	Share rights	115,740	178,750	–	–	–	294,490
Sean O'Malley	Shares	89,524	–	37,280	–	1,215	128,019
	Share rights	195,664	174,374	(37,280)	–	–	332,758
Nicola Rimmer-Hollyman ⁵	Shares	10,035	–	–	–	1,215	11,250
	Share rights	92,828	106,022	–	–	–	198,850
Former Executive KMP							
Phil Pakes ⁵	Shares	10,035	–	–	–	–	10,035
	Share rights	173,650	–	–	–	–	173,650

1 Relates to share rights awarded as part of the 2021 STI deferral on 11 April 2022, with a fair values of \$0.95 for Tranche 1, \$0.92 for Tranche 2 and (applicable to only the CEO) \$0.88 for Tranche 3. For Nicola Rimmer-Hollyman, the amount granted relates to 2022 Share Rights that were awarded as part of her Director role prior to becoming an Executive Committee member, with a fair value of \$0.95.

2 A portion of share rights granted to Alexis George as part of her sign-on award on 2 August 2021 vested and was exercised to AMP Limited shares on 22 November 2022 at a market price of \$1.28 per share. For David Cullen, James Georgeson and Sean O'Malley, Share Rights exercised relates to the 2019 STI deferral that vested on 17/02/2022 at a market price of \$1.01.

3 Other market transactions are shares awarded as part of the executive's participation in the AMP Share Purchase Plan (SPP) with shares allocated on 24 February 2022 at a market value of \$0.94 and 29 March 2022 at a market value of \$0.95.

4 There are no share rights held by any KMP's related parties and no share rights held indirectly or beneficially by our KMP. As at 31 December 2022, there were no share rights vested, or vested and exercisable or vested and unexercisable. No amount is payable by the Executive KMP on grant, vesting or exercise of their share rights. Any share rights that vest following the end of the vesting period will be automatically exercised.

5 The opening balance shown for Nicola Rimmer-Hollyman and the closing balances shown for David Cullen, Shawn Johnson, Rebecca Nash and Phil Pakes are reflective of their holdings on the respective dates they became or ceased KMP, respectively.

7.4 EXECUTIVE PERFORMANCE RIGHTS HOLDINGS

The following table shows the performance rights which were granted, exercised or lapsed during 2022.

	Grant date	Performance measure	Fair value per right	Holding at 1 Jan 2022	Granted	Vested	Lapsed/cancelled	Held on 31 Dec 2022 ¹	Rights exercised to AMP Limited shares
Executive KMP									
Alexis George ²	9-Aug-21	ATSR	0.62	511,702	–	–	–	511,702	–
	9-Aug-21	RTSR	0.61	1,535,158	–	–	–	1,535,158	–
	30-May-22	RTSR	0.59	–	1,818,278	–	–	1,818,278	–
Total				2,046,860	1,818,278	–	–	3,865,138	–
David Cullen ³	12-Sep-19	CAGR of TSR	1.21	1,933,701	–	–	–	1,933,701	–
	1-Jan-21	TSR	0.81	454,821	–	–	–	454,821	–
Total				2,388,522	–	–	–	2,388,522	–
James Georgeson	12-Sep-19	CAGR of TSR	1.21	1,657,458	–	–	–	1,657,458	–
	1-Jan-21	TSR	0.81	454,821	–	–	–	454,821	–
	30-May-22	RTSR	0.59	–	795,165	–	–	795,165	–
Total				2,112,279	795,165	–	–	2,907,444	–
Scott Hartley	1-Jan-21	TSR	0.81	545,785	–	–	–	545,785	–
	30-May-22	RTSR	0.59	–	954,198	–	–	954,198	–
Total				545,785	954,198	–	–	1,499,983	–
Shawn Johnson ⁴	–	–	–	–	–	–	–	–	–
Total				–	–	–	–	–	–
Rebecca Nash ³	12-Sep-19	CAGR of TSR	1.21	690,607	–	–	–	690,607	–
Total				690,607	–	–	–	690,607	–
Sean O'Malley	12-Sep-19	CAGR of TSR	1.21	552,486	–	–	–	552,486	–
	30-May-22	RTSR	0.59	–	636,132	–	–	636,132	–
Total				552,486	636,132	–	–	1,188,618	–
Nicola Rimmer-Hollyman ³	12-Sep-19	CAGR of TSR	1.21	276,243	–	–	–	276,243	–
	30-May-22	RTSR	0.59	–	318,066	–	–	318,066	–
Total				276,243	318,066	–	–	594,309	–
Former Executive KMP									
Phil Pakes ³	12-Sep-19	CAGR of TSR	1.21	1,381,215	–	–	(1,381,215)	–	–
	1-Jan-21	TSR	0.81	424,499	–	–	(424,499)	–	–
Total				1,805,714	–	–	(1,805,714)	–	–

1 There are no options or performance rights held by any KMP's related parties and no options or performance rights held indirectly or beneficially by our KMP. As at 31 December 2022, there were no performance rights vested, or vested and exercisable or vested and unexercisable. No amount is payable by the Executive KMP on grant, vesting or exercise of their performance rights. Any performance rights that vest following the testing of the performance condition will be automatically exercised and any performance rights that do not vest following the performance testing will lapse (and expire) at that time.

2 Performance rights were granted to the CEO Alexis George as part of her sign-on award on 2 August 2021. During 2022, no performance rights were performance tested under her sign-on award.

3 The balance shown for Nicola Rimmer-Hollyman in the Holding at 1 January 2022 column reflects her respective holdings on the date she was appointed to KMP. The balances shown for David Cullen, Rebecca Nash, Shawn Johnson and Phil Pakes in the Holding at 31 December 2022 column reflects the dates they ceased to be KMPs. Refer to Section 1.1 for further information.

4 Shawn Johnson did not receive any performance rights. He was awarded points in AMP Capital carried interest arrangements. This is a form of performance fee funded by investors and standard market practice for closed end funds. No carried interest was realised and paid in 2022.

Remuneration report

7.5 NON-EXECUTIVE DIRECTOR REMUNERATION

The following table shows the remuneration earned by AMP Limited NEDs for 2022.

NED	Year	Short-term benefits			Post-employment benefits		Total \$'000
		AMP Limited Board and committee fees \$'000	Fees for other group boards ¹ \$'000	Additional board duties ² \$'000	Superannuation ³ \$'000		
Debra Hazelton	2022	536	–	–	25	561	
	2021	596	–	–	23	619	
Andrew Best	2022	111	–	5	12	128	
	2021	–	–	–	–	–	
Rahoul Chowdry	2022	264	–	–	24	288	
	2021	302	–	14	22	338	
Mike Hirst	2022	257	–	5	13	275	
	2021	136	–	–	2	138	
Kathryn McKenzie	2022	228	–	12	24	264	
	2021	274	–	–	22	296	
Michael Sammells	2022	265	64	13	23	365	
	2021	298	124	21	26	469	
Andrea Slattery	2022	255	–	19	27	301	
	2021	300	13	6	24	343	
Former NED							
John O'Sullivan ⁴	2022	67	–	9	6	82	
	2021	274	–	98	22	394	
Total	2022	1,983	64	63	154	2,264	
	2021	2,180	137	139	141	2,597	

1 As disclosed in the 2021 Remuneration Report, the Chair Base fee for the Collimate Capital Limited Board (formerly known as AMP Capital Holdings) is \$124,000 per annum. The amount disclosed includes fees paid to Michael Sammells in his capacity as Chair until his resignation on 7 July 2022.

2 Additional work for special committees and projects including per diem fees on actual time spent for the Demerger Due Diligence Committee.

3 Superannuation contributions have been disclosed separately in this table but are included in the base NED fees disclosed elsewhere in this report.

4 John O'Sullivan retired from the AMP Board on 8 April 2022 and the fees disclosed are reflective of his KMP period during 2022.

Directors' report

for the year ended 31 December 2022

ROUNDING

In accordance with the Australian Securities and Investments Commission Corporations Instrument 2016/191, amounts in this directors' report and the accompanying financial report have been rounded off to the nearest million Australian dollars, unless stated otherwise.

NON-AUDIT SERVICES

The Audit Committee has reviewed details of the amounts paid or payable to the auditor for non-audit services provided to the AMP group during the year ended 31 December 2022, by the company's auditor, EY.

The directors are satisfied that the provision of those non-audit services by the auditor is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* and did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit assignments were approved by the Chief Financial Officer (CFO), or his nominated delegate, or the Chair of the Audit Committee;
- no non-audit assignments were carried out which were specifically excluded by the AMP Charter of Audit Independence; and
- the proportion of non-audit fees to audit fees paid to EY, as disclosed in note 6.5 to the financial report is not considered significant enough to compromise EY's independence or cause a perception of compromise.

Signed in accordance with a resolution of the directors.



Debra Hazelton
Chair



Alexis George
Chief Executive Officer and Managing Director

Sydney, 16 February 2023

Auditor's independence declaration



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Auditor's independence declaration to the directors of AMP Limited

As lead auditor for the audit of the financial report of AMP Limited for the financial year ended 31 December 2022, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of AMP Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

A handwritten signature in black ink, appearing to read 'APR', written over a faint horizontal line.

Andrew Price
Partner

16 February 2023