

# Material issues

**AMP’s materiality review process considers the impacts of issues both internally to our business and externally on society. We consider the financial and non-financial impact, including human rights impacts, to our stakeholders.**

In 2022, the framework has been updated to account for the transactions of the AMP Capital businesses and reflect the retained AMP Limited business (as outlined in [Overview and structure](#)).

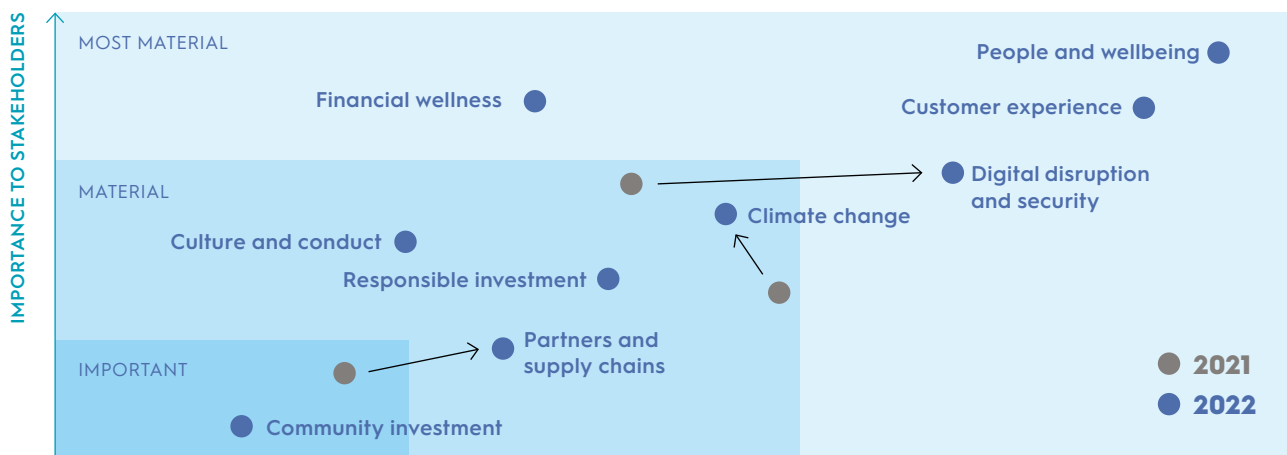
We have updated the following issues based on stakeholder feedback:

- *Financial Wellness* is a new material issue, reflecting the retail focus of AMP after the transactions of the AMP Capital businesses and heightened focus on supporting vulnerable customers and delivering affordable financial services in an increasingly uncertain economic environment.
- *Human Capital Management* has been renamed *People and wellbeing*, reflecting the ongoing importance of talent attraction and retention in a competitive jobs market as well as the ongoing importance of people, talent and capability in order to deliver for customers and members.
- *Ethical Conduct and Governance* has been changed to *Culture and Conduct*, which includes cultural considerations previously in *Human Capital Management*. It has also decreased in relative importance due to increased stakeholder confidence in the cultural changes that have occurred at AMP and launch of the new purpose and values.
- *Digital disruption and security* has increased in relative importance and impact due to ongoing cyber security threats globally, the importance of digital capability and direct to customer channels to enable AMP’s strategy, and supporting remote and collaborative working.
- The 2021 issue *Regulatory and legislative environment* has been removed as a standalone material issue and is now addressed in the context of other material issues.
- *Climate Change* has decreased in relative impact due to lower total assets under management following the sale of AMP Capital but increased in importance among stakeholders. *Responsible investment* remains unchanged, as lower assets under management is offset by the growing impact of ESG issues considered, including ethical considerations and intersections with geopolitical risks.
- *Partners and supply chains* have increased in impact due to the importance of partnerships with technology providers and external fund managers to deliver AMP’s strategy.

Trust in institutions and social licence continue to feature in discussions with stakeholders. It is not treated as a discrete issue in the framework as feedback suggests that addressing all of our material issues detailed in this report holistically serves to address this broader issue.

The impact of COVID featured less in discussions with stakeholders in 2022 than in previous years due to widespread easing of restrictions. Other macro-economic trends raised in discussions included concerns about inflation, rising interest rates and volatile investment markets. These issues are considered within the context of the nine material issues identified in this report.

## Our materiality matrix



Note: Impact is considered both to AMP as a business and our impact externally on society (known as double materiality).

## Material issues – Our sustainability framework

In 2022, we used the Sustainable Development Goals (SDGs) as an input to our materiality assessment. We have also detailed how the material issues align to the most relevant SDGs.



[More information](#)

### Customers

#### Financial wellness

Demonstrate how we support customers and members to achieve financial wellness through measures to address financial capability, services to build wealth in retirement and manage through periods of vulnerability in uncertain economic conditions.

#### Customer experience

Demonstrate how we are a customer and member focused business providing high quality products and services that create value for customers. This includes the processes we have in place to manage complaints and respond to customer feedback.

#### Digital disruption and security

Demonstrate how we respond to digital disruption in financial services and embrace opportunities to deliver digital customer experiences that are personalised and proactive. This includes how we manage and maintain security processes to protect customer data.



[More information](#)

### People and partners

#### Culture and conduct

Demonstrate how we use purpose, culture, values and controls to build trust in AMP and the financial services sector. This includes ensuring our employees and advisers act ethically and quickly resolve issues to a high professional standard.

#### People and wellbeing

Demonstrate how we attract, develop and retain the skills and talent of our people and advisers, being key to AMP's ability to create value for customers and shareholders. This includes diversity and inclusion, health and wellbeing, and employee attraction and retention.

#### Partners and supply chains

Demonstrate how we support our advice network and intermediary network in delivery of service excellence to customers. This includes how we manage our key service provider relationships and risks of modern slavery in our supply chain.



[More information](#)

### Communities and environment

#### Responsible investment

Demonstrate how we consider a range of environmental, social and governance (ESG) factors in our investments to drive long-term value creation in the best financial interests for our customers and communities.

#### Climate change

Demonstrate how we are managing the risks and opportunities presented by climate change for our customers and communities. This includes leveraging our influence as a global investor and how we reduce the impact of our business activities.

#### Community investment

Demonstrate how we create value for communities through philanthropic activities, such as impact investing, community partnerships and engaging employees with fundraising and volunteering opportunities.

