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AMP Limited presentation at UBS Australasia Conference

AMP Limited CEO, Alexis George, is addressing the UBS Australasia Conference, held in Sydney today. The presentation to be delivered by Alexis is attached.

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Authorised for release by the Market Disclosure Committee.

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UBS Australasia Conference

14 November 2022

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Financial
highlights

We are repositioning our business

AMP Limited following completion of Collimate Capital sales



AMP Bank

A competitive, digital-focused challenger bank supporting customers with residential mortgages, deposits and transactional banking.

Master Trust

Offering a market competitive super and pension solution across individual and corporate super through the largest single retail superannuation product set in Australia.

Platforms

A leading provider of super, retirement and investment products to build personalised investment portfolios, and managed through flagship North platform.

Advice

Provides professional services to network of aligned and independent financial advisers.

New Zealand

A standalone wealth management, financial advice and general insurance distribution business.

Strategic partnerships

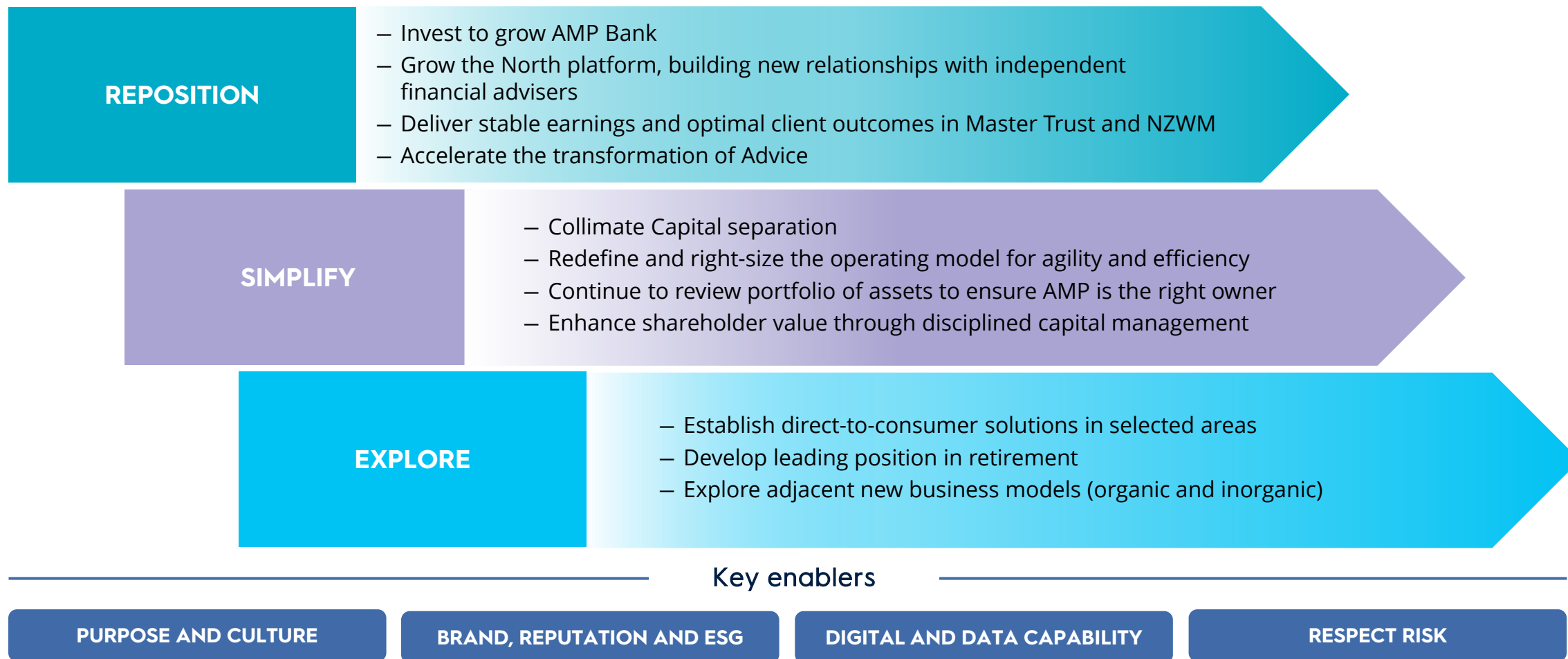
19.99% of China Life Pension Company (CLPC)

14.97% of China Life AMP Asset Management Company Limited (CLAMP)

24.90% in US real estate investment manager, PCCP.

Path to new AMP

Streamline portfolio with a relentless focus on customers

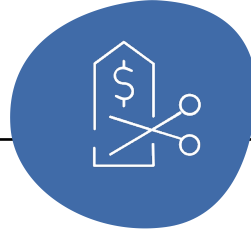


2022 priorities

Clear roadmap for strategic delivery and future growth



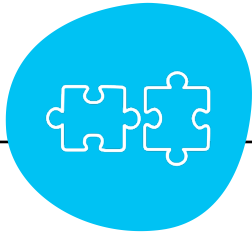
Complete separation of Collimate Capital in preparation for trade sales



Reduce cost base



Grow Bank



Focus on IFA flows in platform



Explore new business opportunities



Purpose and values

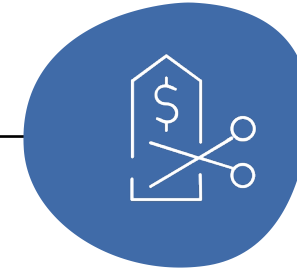
2H 22 focus

Hitting key milestones in our strategic agenda



Complete Collimate Capital sales

- Completion of Collimate Capital sales to Dexus and DigitalBridge.
- Continue to reposition AMP Limited as a leading 'whole of wealth' provider in Australia and New Zealand.



Reduce cost base

- Significant progress being made to achieve cost base target of A\$795m (including AMP Investments).
- Accelerating implementation of AMP operating model post trade sales, right-sizing cost base of business units and support functions.
- Focus on simplifying investment options and driving operational efficiency Master Trust.
- Ongoing focus to minimise residual costs arising in FY 23 from Collimate Capital sales, expected to be in the range of A\$20m.

2H 22 focus

Relentless in our pursuit of delivering for customers and shareholders

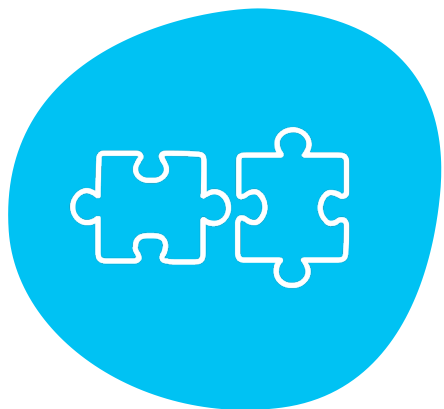


Grow Bank

- Launch of digital mortgage capability offer to retail customers, enabling unconditional loan approval in as little as 10 minutes.
- Continue investment in digital technology to enhance broker and customer experience and improve 'Time to Yes' by a further 20%.
- Maintain focus on credit quality while offering market leading home loan rates.
- Optimise NIM while maintaining above system growth.
- Improve customer service experience across key channels.
- Position team to support customers through period of rising interest rates.

2H 22 focus

Addressing significant market need for more retirement solutions



Focus on IFA flows in platform

- Launch of innovative, market-first retirement solution, MyNorth Lifetime.
- Growth in distribution capabilities to support IFA market.
- Invest in North digital experience and functionality including digital consent, Record of Advice templates, data integration and proactive workflow management tools.
- Grow revenue from managed portfolios and multi-asset products.
- Progress simplification of legacy wrap products to improve efficiency, drive scale and support retention.
- Continue to simplify and reposition investment menus and pricing to drive better transparency.

2H 22 focus

Helping people create their tomorrow



Explore new business opportunities

- Build data analytics capability in core growth areas to identify, attract and serve customers more directly.
- Full roll-out of direct to customer digital mortgage product enabling unconditional loan approval in as little as 10 minutes.
- Launch of innovative new retirement solution on North platform.
- Explore Horizon 2 revenue opportunities for long-term sustainable growth.



Purpose and values

- Continue to embed new purpose and values across AMP.
- Drive initiatives that support a high-performance culture.
- Complete delivery in line with action plan on inclusion and workplace conduct.

1H 22 financial highlights

— Strong capital position

- Capital surplus strengthened through asset sales, in addition to profits generated from underlying operations.
- Capital strength and robust balance sheet enables capital returns to shareholders and ability for AMP to support business growth in a period of continued economic uncertainty.
- Return of capital to shareholders of A\$1.1b comprising A\$350m via an on-market share buyback, with a further A\$750m of capital returns planned in FY 23, subject to regulatory and shareholder approval. The A\$750m is expected to comprise a combination of capital return, special dividend or further on-market share buyback.

— 1H 22 earnings reflect the challenging environment

- 1H 22 NPAT (underlying) of A\$117m down 25% (1H 21: A\$155m).
- Reflects expected impact of business unit earnings as a result of strategic repricing to provide competitive offers and the impact of investment markets, partly offset by planned cost reductions.
- Lower earnings in AMP Bank from lower net interest margin given market dynamics and one-off release of credit loss provision in 1H 21.

— Disciplined focus on efficiency and cost management

- Controllable costs A\$45m lower than 1H 21.
- Losses in Advice on track to halve in FY 22 relative to FY 21.

— 1H 22 NPAT (statutory) benefitted from strategic sales

- 1H 22 NPAT (statutory) of A\$481m (1H 21: A\$146m).
- Uplift supported by asset sales including ~A\$390m gain on the sale of the Infrastructure Debt platform.

1H 22 profit summary

Earnings reflect expected impact of pricing changes, partly offset by planned cost reductions

A\$m	1H 22	2H 21	1H 21	FY 21	% 1H 22/ 1H 21
AMP Bank	46	69	84	153	(45.2)
Platforms	36	57	66	123	(45.5)
Master Trust	27	48	63	111	(57.1)
Advice	(30)	(61)	(85)	(146)	64.7
Wealth other ¹	3	-	1	1	200.0
Australian Wealth Management ²	36	44	45	89	(20.0)
New Zealand Wealth Management	17	20	19	39	(10.5)
AMP Capital continuing operations ³	26	21	16	37	62.5
Group Office	(8)	(29)	(9)	(38)	11.1
NPAT (underlying)	117	125	155	280	(24.5)
Items reported below NPAT	333	(573)	(35)	(608)	n/a
AMP Capital discontinued operations ⁴	31	50	26	76	19.2
NPAT (statutory)	481	(398)	146	(252)	229.5

1H 22 key movements

- **NPAT (underlying) of A\$117m** was down A\$38m (25%) on 1H 21 largely reflecting lower business unit earnings:
 - **AMP Bank** decrease predominantly due to reduction in Net Interest Income and a release of one-off credit loss provision of A\$12m in 1H 21.
 - Half-on-half **Master Trust** and **North** earnings impacted by previously announced repricing initiatives, with average AUM broadly in line over the period.
 - Strong momentum on **Advice** transformation and cost-out saw losses improve by A\$55m.
 - **New Zealand Wealth Management** NPAT decreased to A\$17m, primarily due to the impact of lower markets.
 - **AMP Capital** continuing operations benefitted from higher contributions from joint venture investments.
- **Items reported below NPAT** improved on 1H 21 predominantly from the gain on sale of Infrastructure Debt platform.

1. Includes investments on behalf of external institutional, retail clients and SuperConcepts.

2. 2H 21, 1H 21 and FY 21 have been restated following the transition of AMP Investments (formerly known as Multi-Asset Group) to Australian Wealth Management.

3. Includes China Life AMP Asset Management Company (CLAMP), PCCP and certain sponsor investments.

4. Includes sold businesses: Infrastructure Debt, Global Equities and Fixed Income (GEFI); and held for sale businesses of International Infrastructure Equity and Real Estate and Domestic Infrastructure Equity.

Q3 22 AUM and cashflows

- **AMP Bank** grew 1.4x above system (as at 31 August 2022), with total loan book increasing A\$0.6b to A\$23.3b in Q3 22.
 - Loan book growth underpinned by continued strength in deposit-to-loan ratio of 89 per cent.
 - NIM remains on track with FY 22 guidance range of 135-140bps.
- **Australian Wealth Management (AWM)** net cash outflows of A\$0.8b in Q3 22, improved from net cash outflows of A\$1.9b in Q3 21.
 - AWM assets under management (AUM) decreased to A\$121.4b during Q3 22 (Q2 22: A\$125.1b), driven predominantly by lower investment markets, as well as net cash outflows.
- **Platforms** net cash inflows increased to A\$363m in Q3 22 (Q3 21: A\$205m).
 - North inflows from independent financial advisers (IFA) up 45 per cent to A\$483m on Q3 21 reflecting ongoing focus on strategic priority to increase IFA inflows.
- **New Zealand Wealth Management** delivered positive net cash inflows of A\$23m in Q3 22, improving net cash outflows of A\$39m in Q3 21, driven in part by increased net cash inflows from KiwiSaver and lower net cash outflows from other products.
- **AMP Capital** AUM of A\$52.0b in Q3 22 (Q2 22: A\$53.4b) reflects the exit of A\$2.9b real estate separately managed account. Management rights of the A\$8.0b AMP Capital Wholesale Office Fund (AWOF) recently transferred from AMP Capital to a new manager and will be captured in Q4 22 cashflow and AUM reporting.



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