



➤ Start

2020 Sustainability report



Key highlights and value creation

AMP’s 2020 sustainability report outlines how we monitor and manage the risks and opportunities associated with our material sustainability issues. It provides a snapshot of our performance and targets in each area.

To AMP, sustainability is our ability to meet the needs of the present without compromising future generations. As custodians of our clients’ money and future, we face complex economic, social and environmental challenges which bring both risks and opportunities to our clients, our people and our community.



Financial performance

\$255 billion total assets under management (AUM)

Earnings impacted by decline in AUM, down 8% in Australian wealth management (AWM) and 7% in AMP Capital

\$3.66 billion net cash inflow in North; 12% growth in Bank deposits

\$521 million in surplus capital above total requirements

\$295m

net profit after tax (NPAT) (underlying).



Clients

\$2.1 billion in pension payments for clients in retirement

223,473 requests for early access to super valued at \$1.8 billion

+27 NPS for Australian client interactions

Client remediation program more than 80% complete

\$67 million paid to KiwiSaver Scheme clients to help buy their first home

\$1.8b

paid in early release of super payments to clients in need.



People

67 employee satisfaction (eSat score)

Launched Innovate Reconciliation Action Plan

Inclusive leadership training for Executives and senior leaders

95%

employees transitioned to remote working.



Community

A+/A ratings in annual PRI report across AMP Capital asset classes

Carbon neutral for 8th year across operation

\$2 million in COVID-19 Community Boost grants

A-

second-highest leadership rating in annual CDP submission.



Shareholders

709,000 total shareholders

\$344 million in capital returned to shareholders via a 10 cents per share special dividend

We connected 1,200 ‘lost’ shareholders with their shareholdings, representing 250,000 shares

309k

shareholders receiving electronic communications only.

Contents

Introduction

- About this report
- Chair and CEO message
- About AMP
- Our strategy
- Sustainability governance
- Stakeholder engagement
- Material issues

Material issues



Clients

1.
Client experience and investment performance

2.
Regulatory and legislative environment

3.
Digital disruption and security



People

4.
Ethical conduct and governance

5.
Human capital management



Community

6.
Responsible investment

7.
Climate change

8.
Operational impacts and supply chain

9.
Community investment

Appendix

- Independent Limited Assurance Statement

About this report

This report provides an aggregated view of our sustainability performance and has been prepared in accordance with the [Global Reporting Initiative \(GRI\) Standards: Core option](#) and the [Sustainability Accounting Standards Board \(SASB\)](#) financial sector topic specific sustainability accounting standard 'Asset Management and Custody Activities'.

We have engaged EY to provide limited external assurance on this report, including select metrics and our carbon neutrality status. The [limited assurance statement](#) is provided in the appendix.

Our sustainability report forms part of our annual reporting suite, which includes:

Financials

- [2020 Annual report](#)
- [2020 Investor report](#)

Governance

- [2020 Corporate Governance Statement](#)
- 2020 Remuneration report
- 2020 Directors' report

Sustainability and ESG disclosures

- 2020 Sustainability report
- [Sustainability GRI and SASB indices](#)
- [Sustainability Performance Data Summary](#)
- [2020 Modern Slavery Statement](#)
- [2020 Principles for Responsible Investment \(PRI\) Transparency Report](#)
- [2020 Carbon Disclosure Project \(CDP\) submission](#)
- Global Real Estate Sustainability Benchmark ([GRESB](#))
- AMP Capital fund level disclosures and ESG performance are available on the [AMP Capital website](#)

Report scope

The scope of our report covers AMP's operations globally for the period 1 January 2020 to 31 December 2020.

The entities that are within AMP Limited's operational control boundary are AMP Australia, AMP Capital, AMP New Zealand, AMP Foundation and AMP Life (up until 30 June 2020). The activities of AMP Life are not included in this report unless otherwise specified. All dollar amounts are in Australian dollars, unless otherwise stated.

Aligned advisers are business partners of AMP and operate under our Australian Financial Services Licences (AFSL) to provide services to our clients. They have been included where relevant in this report. The premises of the aligned advisers are not under AMP Limited's operational control. Therefore, the environmental impacts of aligned advisers do not form part of the disclosures in the [Operational impacts and supply chain](#) section of this report.

Performance of commercial office buildings and shopping centres managed by AMP Capital is reported separately to the AMP operational footprint. This information is noted in the [Performance data summary](#). Further details specifically related to performance of funds can be found on the [AMP Capital website](#).

Other benchmarks

In 2020, AMP actively participated for the first time in the Dow Jones Sustainability Index ([DJSI](#)) Corporate Sustainability Assessment (CSA).

AMP's score improved significantly from previous years, however we were not admitted to the index in 2020. Initiatives to strengthen and address investor feedback regarding AMP's culture and governance are underway. Details of our approach can be found in the [Ethical conduct and governance](#) and [Human capital management](#) sections of this report.

Chair and CEO message

This report aligns with the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB), and demonstrates AMP's commitment to transparency and accountability of our financial and non-financial performance. In 2020, AMP conducted an expanded materiality assessment process with key stakeholders to understand and respond to the most important issues. Outcomes of this process can be found in the [stakeholder engagement](#) section of this report.

2020 has seen our clients, our people and the broader community face extraordinary challenges which have disrupted the way we work, live and think about our financial security. Further, it has been a year of change for AMP, with the completion of the divestment of our life insurance business, changes to our executive and board leadership in response to stakeholder feedback and the announcement of a portfolio review. Following a review of assets, the board has concluded that AMP will retain the Australia and New Zealand businesses. We have entered into a non-binding Heads of Agreement to pursue the formation of a joint venture for AMP Capital's private markets business. We will provide a market update as soon as possible.

In 2020, a key priority has been supporting clients through financial hardship as a result of the bushfires that devastated Australia and the economic disruption from COVID-19 globally. We have focused on supporting our clients

Welcome to AMP's 2020 Sustainability report. This report forms an important part of our annual reporting suite, setting out how AMP responds to challenges and takes up opportunities to build a stronger future and create value for our stakeholders.

with managing investment returns, providing early access to super, enabling the deferral of mortgage payments and fee reductions. We have also worked to ensure our retail and commercial assets remained open and safe, and supported underlying infrastructure assets to manage through the disruption.

For our people, we recognise that creating a safe and inclusive culture is essential to attracting and retaining talented employees and delivering for clients. We are acutely aware of the disappointment expressed following questions regarding our company's culture. We have announced significant changes to the board and executive leadership team, including a new Chair of the AMP Limited Board, as well as welcoming David Atkin as Deputy CEO of AMP Capital and Scott Hartley as CEO for AMP Australia.

In addition to these leadership changes, we have implemented a broad range of initiatives with the aim of fostering a high performing, inclusive culture. These include: a board culture working group to set expectations on culture, inclusive leadership training for leaders, updates to the AMP [Code of Conduct](#) and Consequence Management policies, and an Inclusion Taskforce, comprising diverse employee representation to consult and provide advice to our leadership teams. We have also completed our review of workplace conduct and have further actions planned for 2021, which are detailed in the People sections of this report.



Debra Hazelton, Chair

These initiatives are in addition to other operational changes that were already underway, including the establishment of the Group Integrity Office to centrally manage complaints and conduct issues, and embed our risk culture across the business. In 2020, we were proud to launch AMP's first group-wide [Innovate Reconciliation Action Plan](#), demonstrating our commitment to advance reconciliation with First Australians.

In the community, we understand the importance of acting on climate change and addressing human rights. We will be publishing our position statement and action plan on climate before the second half of 2021. We have also published our first group-wide [Modern Slavery Statement](#), which details the actions we have taken in 2020 to address risks of modern slavery arising from our business activities.



Francesco De Ferrari, Chief Executive Officer

The AMP Foundation continues to play an important role supporting the community in times of need. This includes providing COVID-19 support grants and awarding another \$1 million in grants to 40 AMP Tomorrow Makers in fields such as science, sport, music, medicine and more.

We know we have a responsibility to support our stakeholders into 2021, as the challenges from 2020 continue and new ones emerge. We are proud to lead AMP and look forward to creating a stronger and more equitable future for our clients, our people and the community.

Debra Hazelton
Chair

Francesco De Ferrari
CEO

About AMP

AMP is a wealth management company offering clients financial advice and superannuation, retirement income, banking and investment products across our portfolio of businesses.

AMP has a long history of helping our customers manage their investments and achieve their financial goals. This deep commitment to supporting clients continues and is articulated in our purpose statement today – *Realise human ambitions.*

AMP and our subsidiaries employ 5,907 people globally, predominantly based in Australia and New Zealand, and we are headquartered in Sydney, Australia.

AMP Life and mature

AMP sold its life insurance and mature business to Resolution Life. The transaction was completed on 30 June 2020. Information related to AMP Life activities has not been included in this report.

AMP Australia

AMP Australia provides retail and workplace superannuation products and self-managed superannuation funds services, as well as retirement income solutions and investments for individuals.

Through our employed and aligned advice network, we support 1,573 advisers in Australia to provide quality financial advice to clients, including through practices licensed under the Charter and Hillross networks.

AMP Bank provides clients with home loans and deposit and transaction accounts. It also provides limited practice financing. SuperConcepts offers clients a suite of SMSF administration services and has operations in Australia and India.

AMP Capital

AMP Capital is a global investment manager, which services institutional and direct clients including AMP.

In public markets, we manage \$135.2 billion in equities, fixed income, diversified, multi-manager and multi-asset funds on behalf of clients.

In real assets, we manage \$28.6 billion real estate assets including office buildings, retail shopping centres and industrial assets predominantly based in Australia. We also invest in \$25.8 billion infrastructure assets via equity and debt, including airports, trains and pipelines on behalf of clients.

AMP New Zealand wealth management

In New Zealand, we provide clients with a variety of wealth management solutions including KiwiSaver, corporate superannuation, retail investments, wrap investment management and general insurance.

Strategic partnerships

AMP group and business units hold several strategic partnerships including:

- 19.13% equity interest in Resolution Life Australasia;
- 19.99% of China Life Pension Company (CLPC);
- 14.97% of China Life AMP Asset Management Company Limited (CLAMP); and
- 24.9% in US real estate investment manager PCCP.

As these are minority, non-managing stakes, they are not included as part of this report.



Our strategy

We made strong progress on our three-year strategy in 2020, which focuses on transforming AMP into a client-led, simpler and growth-oriented organisation.

The COVID-19 pandemic in 2020 enabled AMP to demonstrate our strength in supporting our clients, people and the community in times of uncertainty.

In 2020, we delivered 90% of our commitments including:

- **Simplifying our portfolio:** through the successful sale of AMP Life and retention of New Zealand wealth management.
- **Reinventing Wealth management:** by reshaping our network to improve productivity and compliance, simplifying our superannuation offers and growing our platforms and bank.
- **Growing asset management:** through growth in real assets and exploring opportunities to improve our scale in public markets.
- **Creating a leaner business:** through cost savings, strengthening risk management and transforming our culture.

In 2021, our focus will shift to strengthening our transformation by focusing on completing our advice network reshape, delivering further simplification in superannuation and growing our bank and asset management capabilities.

This will be underpinned by ongoing initiatives to embed an inclusive, accountable and high-performance culture, which recognises the importance of our people in transforming our business.

Australian wealth management

Simpler, client-led wealth manager with tailored offering to meet the needs of Australians

AMP Bank

Technology enabled challenger bank that integrates with clients' wealth management needs

AMP Capital

Leading global asset manager, expanding private markets through differentiated active management capabilities

New Zealand wealth management

Leading wealth manager and general insurance provider

Partnerships

Strategic partnerships giving access to diversified shareholder returns and strategic growth opportunities

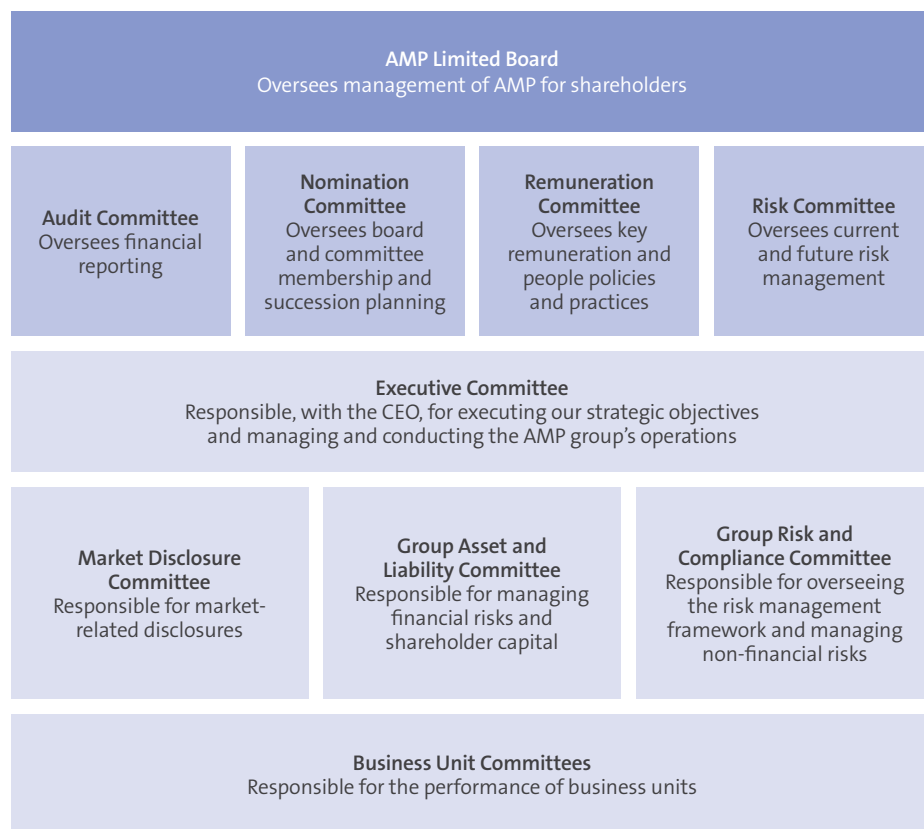
Enablers of long-term shareholder value

Refining the business portfolio by shifting capital allocation to higher growth, higher return assets

Disentangling the value chain to enable operational efficiency and improved cost management

Strengthening our culture to drive accountability, inclusion and high performance

Sustainability governance



Sustainability and environmental, social and governance (ESG) issues are managed through AMP's governance structures and risk management frameworks.

The AMP Limited Board oversees management of sustainability-related issues for AMP shareholders.

The Executive Committee manages and monitors AMP's material sustainability framework through the Group Risk and Compliance Committee, constituting all members of the Executive Committee.

In 2020, the Executive Committee discussed several ESG-related issues including:

- Conduct and operational risk matters;
- Diversity and inclusion;
- Modern slavery;
- Climate change;
- Reconciliation; and
- 2020 sustainability material issues framework and basis for this report.

Within the AMP group, there are a number of separate boards that oversee governance of AMP activities in the best interests of other stakeholders, including superannuation members, clients and investors. These boards consider ESG and sustainability-related issues as required.

For further details about AMP's governance structures and risk management frameworks, please see the Corporate Governance Statement and [Enterprise Risk Management Policy](#).

Superannuation Trustee Board
Responsible for the governance of AMP superannuation funds for members

AMP Capital Responsible Entity Boards
Responsible for the governance of the various investment schemes and unregistered trusts

Advice Licensee Boards
Responsible for the governance of the advice network for authorised representatives of AMP

Wrap Platform Boards
Responsible for the governance of platforms for investors

Stakeholder engagement

AMP assesses the issues of greatest importance and impact to our clients, our people and our community annually through our materiality assessment process.

In 2020, material issues were assessed through a process of reviewing and analysing feedback from stakeholders, building from our 2019 framework. We used existing feedback mechanisms and interviews with approximately 50 internal and external stakeholders to specifically discuss AMP's most material sustainability issues for 2020. This process is led by our Group Sustainability team and the outcomes are approved by the Executive Committee and the AMP Limited Board.

	Clients	Employees and advisers	Investors and shareholders	Government and regulators
Engagement method/s	<ul style="list-style-type: none"> – Net Promoter System (NPS) verbatims and scores – AMP Customer Advocate – Consumer research (focus groups) – Social media – Direct phone calls and emails 	<ul style="list-style-type: none"> – Monthly 'Glint' employee surveys – One-on-one phone interviews – Internal communications channels, such as Workplace – Performance reviews 	<ul style="list-style-type: none"> – Telephone/ videoconference briefings – Annual General Meeting – Investor briefings at half and full year results – AMP Shareholder site – ESG ratings and ad-hoc investor ESG requests – Proxy adviser engagement 	<ul style="list-style-type: none"> – Meetings with parliamentarians and regulators – Submissions and appearances at forums such as the House Economics Committee
Top three issues of importance for these stakeholders	<ol style="list-style-type: none"> 1. Digital experience 2. COVID-19 support 3. Investment performance 	<ol style="list-style-type: none"> 1. Human capital management 2. Culture, including diversity and inclusion 3. Climate change and responsible investment 	<ol style="list-style-type: none"> 1. Culture and conduct 2. Client retention and business performance 3. Employee retention and engagement 	<ol style="list-style-type: none"> 1. Social licence to operate, trust and community expectations 2. Culture and conduct 3. Governance

Industry associations

AMP also collaborates with a number of industry associations relating to corporate sustainability, including:

AMP Limited	AMP Capital
Business Council for Sustainable Development Australia (BCSDA) Australian Banking Association (ABA) Responsible Investment Association of Australasia (RIAA) Financial Services Council (FSC)	Investor Group on Climate Change (IGCC) Principles for Responsible Investment (PRI) Property Council of Australia Green Building Council Australia

Material issues

In 2020, we updated the definition of materiality to consider impacts both internally to our business and externally to society.

This led to some changes in the ranking of our issues. In 2020, our people-related issues have significantly increased in relative importance following internal changes, conduct issues and the ongoing disruption of COVID-19 to our workforce.

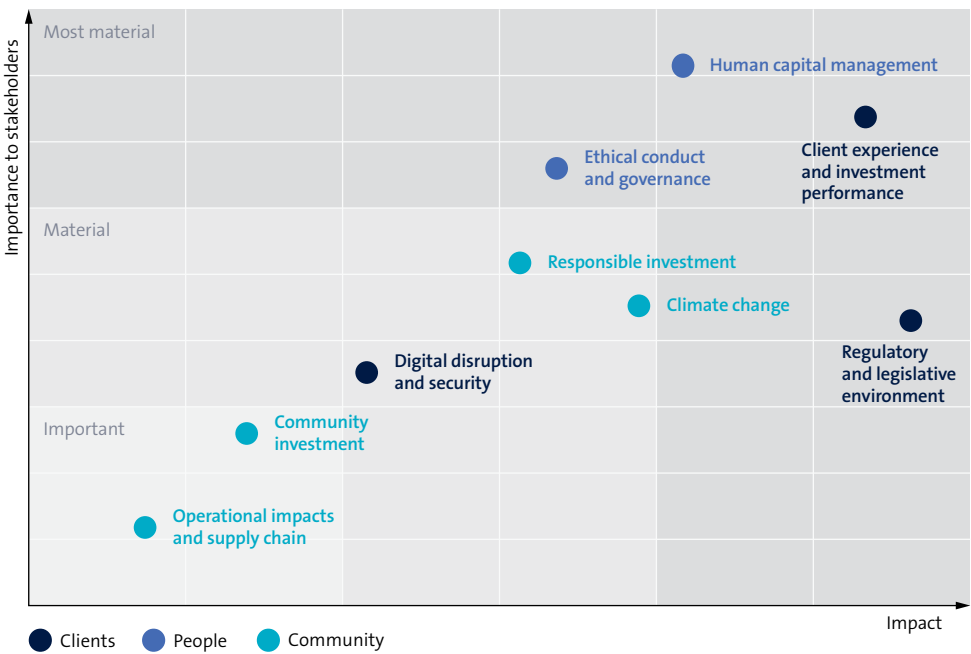
We have updated the following issues based on stakeholder feedback:

- *Client experience* (2019) has been expanded to *Client experience and investment performance*, acknowledging the importance of investment performance to clients, particularly during COVID-19 disruptions. This issue remains our most material issue.
- *Supporting and developing people* (2019) has been refined to *Human capital management* to reflect the greater emphasis on the value of people-related issues including talent attraction and retention, capability, culture and inclusion and diversity. It has also significantly increased in relative importance from 2019 based on stakeholder feedback.

- Similarly, *Ethical conduct and professional standards* (2019) has been updated to *Ethical conduct and governance*, recognising feedback regarding our use of accountability, processes and controls to ensure our people are acting ethically and to a high professional standard. This issue also increased in relative importance due to stakeholder feedback surrounding conduct issues.

Given these changes, the relative importance of these people-related issues now ranks higher than *Regulatory and legislative environment*, *Digital disruption* and *Climate change* which have decreased. The relative impacts of these issues also changed in light of our new definition for impact. Despite these changes, we continue to focus on our responses to these important issues. Further, we report on each issue in line with GRI and SASB frameworks. The issues for 2020 are summarised on page 11.

The impact of COVID-19 featured in our discussions with stakeholders. Rather than treat this as a distinct issue in this report, COVID-19 related impacts are assessed through our identified material issues. We provided an update in the second half of 2020 on our actions to support our clients, people and community during COVID-19.



Trust in institutions, reputation and social licence to operate also featured heavily in discussions with stakeholders. It is not treated as a discrete issue in our framework as we believe addressing all our material issues detailed in this report will help us address this.

Other macro-economic trends that featured in our discussions included issues such as recession, unemployment, an ageing population and health. These issues are considered within the nine material issues identified in the report.

Material issues – Our Sustainability Framework

We have aligned our material issues to the United Nations Sustainable Development Goals (SDGs) and throughout 2021 we will be exploring how best to embed the goals into business strategy and processes.



Community

Community investment

Demonstrate how we create value for communities through philanthropic activities and engage employees with fundraising and volunteering opportunities.

Operational impacts and supply chain

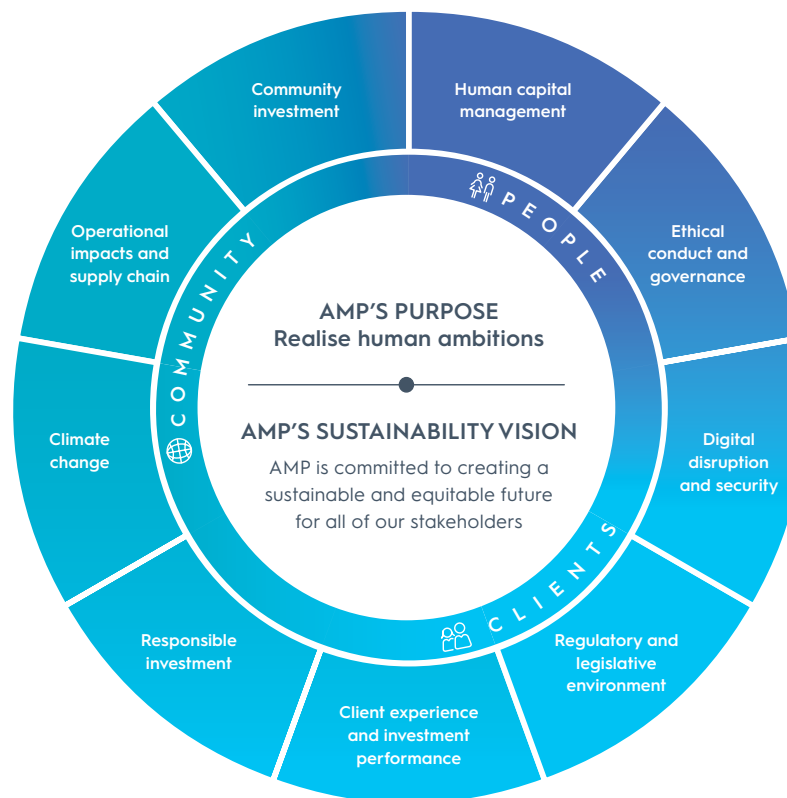
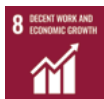
Demonstrate how we are managing the direct and indirect social and environmental impacts arising from our own operations and purchasing decisions.

Climate change

Demonstrate how we are managing the investment risks and opportunities presented by climate change to create value for our clients and community. This includes leveraging our influence as a global investor and how we reduce the impact of our investment activities.

Responsible investment

Demonstrate how we consider environmental, social and governance (ESG) factors in our investments to drive long-term value creation for our clients and the community.



People

Human capital management

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

Ethical conduct and governance

Demonstrate how we use culture, governance, accountability, processes and controls to rebuild 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.



Clients

Digital disruption and security

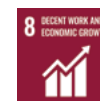
Demonstrate how we respond to digital disruption in financial services and embrace opportunities to deliver digital client experiences that are personalised and proactive. This includes how we manage and maintain security processes to protect client data.

Regulatory and legislative environment

Demonstrate how we are responding to global and domestic legislative and regulatory changes that are shaping the value of financial services for clients over the short and long term.

Client experience and investment performance

Demonstrate how we are a client-led business focused on helping them to invest and achieve their financial goals. This includes the processes we have in place to assist vulnerable clients and manage complaints, including ensuring our employees and advisers act ethically and quickly resolve issues to a high professional standard.



Material issues



Clients

- 1.
Client experience and investment performance
- 2.
Regulatory and legislative environment
- 3.
Digital disruption and security



People

- 4.
Ethical conduct and governance
- 5.
Human capital management



Community

- 6.
Responsible investment
- 7.
Climate change
- 8.
Operational impacts and supply chain
- 9.
Community investment



1. Client experience and investment performance

In Australia, we are reshaping and simplifying our business substantially to deliver better outcomes for clients. This has included rationalising our superannuation offers, investing to improve our wealth management platforms, developing new products and services which support our clients from a comprehensive whole-of-wealth perspective and reshaping our financial advice business to provide high quality, cost-effective financial advice.

AMP is also committed to supporting fair and equitable outcomes for clients experiencing vulnerability or when complaints arise. This is particularly important for clients impacted by economic disruption caused by COVID-19.

In our investment management business, AMP Capital, our focus is on delivering strong outcomes for institutional and retail clients. In many cases, these institutions are managing funds on behalf of retail clients. We invest our client funds in asset classes including equities, fixed interest, real estate and infrastructure (debt and equity).

AMP is committed to transforming our company to create a client-led, simpler, growth-oriented business. Placing clients at the centre of decision making and actions is essential to delivering our business strategy as well as meeting our purpose of helping our clients realise their ambitions.

In 2020

AMP:

- Made \$2.1 billion in pension payments to Australian clients to help them in retirement.
- Helped 112,500 clients with their banking and provided over 5,800 new home loans.
- Received 1,093,436 client calls.
- Delivered solutions for 400 institutional clients through AMP Capital, managing \$190 billion in assets under management.
- Delivered specialist support to clients impacted by COVID-19.

COVID-19 support

Being a client-led business means delivering and supporting clients who face hardship, particularly those suffering from the economic impacts of COVID-19.

In 2020, we offered free premium access to [MoneyBrilliant](#) for our clients and employees for the year. AMP is a majority shareholder of this award-winning personal finance management app, which provides its users with the tools to help them make better decisions about their money.

In New Zealand, we launched BetterMoney, which is a budgeting platform to help clients manage their budgeting, spending, bills and retirement planning in one place.

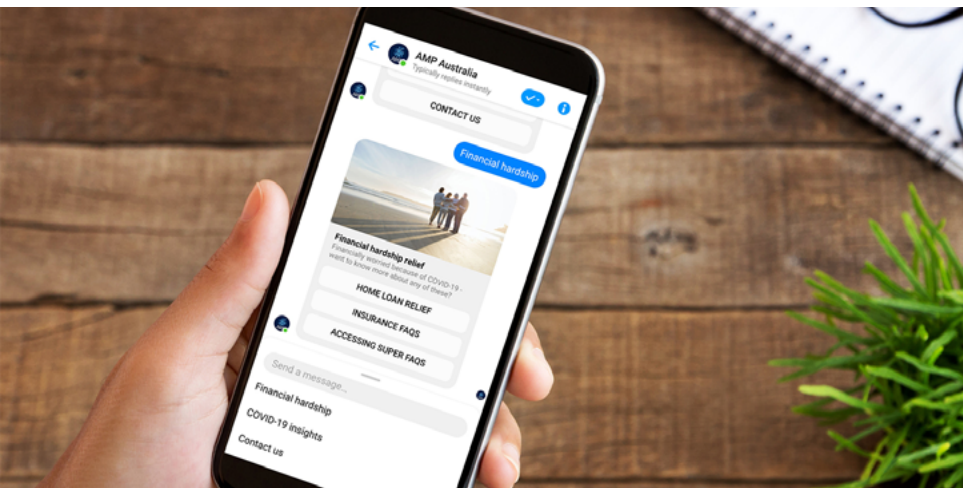
At AMP Bank, we paused repayments on 4,922 mortgages, valued at a total of \$2.51 billion. We helped 1,018 clients through AMP Bank's high care program, which maintains regular contact with our most vulnerable clients to help them back on track to achieving their goals. As at February 2021, more than 90% of these clients had returned to repayments.

AMP supported the Australian Government's early release of super program, allowing eligible Australians to access their money in this time of hardship. 223,473 requests for early access to super have been paid, valued at \$1.83 billion¹. Of these requests, 98% were paid within five business days compared to the industry average of 95%.

Our advisers also rolled out a suite of webinars to clients covering topics such as retirement, budgeting, early release of super, investment market updates and estate planning.

AMP Capital's Real Estate team supported retailers and office and logistics customers impacted by the pandemic through support measures including rent relief, flexibility of payment terms and trading hours and tailored support to help businesses with their individual needs.

¹ The COVID-19 early release of super program closed on 31 December 2020. These figures include some requests that were paid in early 2021.





1. Client experience and investment performance

Simplifying our business

As part of our client-led strategy, AMP has focused on simplifying and improving the value of our products and offers. In 2020, we removed grandfathered commissions with benefits returned to clients ahead of the legislative deadline, building on the fee reductions we've been implementing since 2018.

AMP carried out a major simplification of our superannuation business through the sale of AMP Life, reducing the number of trustees from two to one and the number of product admin systems from nine to two, as well as significantly simplifying investment options.

Simplification of our products allows for more effective communications and transparency of our services to clients. We regularly communicate with clients through a range of Product Disclosure Statements and annual reports available on our website, to inform clients on product fees and investment performance.

Through the Future AMP Bank program, 5,000 home loan and 8,000 deposit accounts were switched from old to contemporary offers. Within the home loan switches, 75% of clients are now experiencing lower fees and/or lower interest rates. We also removed or reduced 40 home loan and deposit fees.

Superannuation performance and heatmaps

AMP has welcomed further transparency across the superannuation industry, with APRA's MySuper Product Heatmap December 2020 report, which compares performance of default MySuper funds.

The latest heatmap shows our total fees comparing well against the industry, reflecting the reductions we have introduced. For some of our funds, we know our performance needs to be consistently stronger.

We also believe there are areas where the heatmap's methodology needs to evolve, particularly where risk profiles differ from the benchmark portfolios they are compared against.

Case Study

Good Shepherd partnership

In 2020, AMP launched a partnership with Good Shepherd – a non-profit leader that works with government, community and corporates to provide financial inclusion products and services. While AMP has good mechanisms in place to support clients, this program provides access to specialised financial counselling to help people manage debt, as well as social workers with extensive knowledge of available community supports. AMP and Good Shepherd have established a specialist team of financial wellbeing experts to help AMP clients in financial hardship to gain an understanding of the options available to them and be empowered to make informed decisions.





1. Client experience and investment performance

Financial advice

Our ability to deliver advice to clients is underpinned by our strong advice network.

In 2020, we continued to reshape our advice to build a more productive, compliant and professional network, with our overall number of advisers reducing as practices merged or exited the industry. During the year, we completed a record 327 business transactions, facilitating the sale of advice practices and a resulting transfer of over 100,000 clients to new AMP-aligned advisers.

We continue to heavily invest in the quality of advice delivered by advisers. For example, we believe annual agreements best serve the interests of clients who seek advice over a period of time. The new agreements require clients and advisers to explicitly agree the services to be provided and fees paid in a 12-month period. In 2020, we transitioned approximately 85,000 clients to new annual agreements.

It is important for AMP to help our advisers through our network changes. Our efforts to support advisers through professional development and personal support are outlined in the [Ethical conduct and governance](#) and [Human capital management](#) sections of this report.

Financial wellness

In 2020, AMP published new research on the state of financial wellness in Australia. The research has found severe and moderate levels of financial stress are impacting 1.8 million Australian workers, with nearly half feeling financially stressed for an average of six-and-a-half years or more.

It also found that two-thirds of Australians (67%) have had their finances impacted by COVID-19, with nearly half (49%) of those surveyed predicting it will take at least three months to get their financial goals back on track.

This research informs our approach with our corporate superannuation clients, including Workplace Education Managers who share their expertise with clients on topics such as tax legislation, super contribution caps and retirement options.

In 2020, our Workplace teams conducted over 200 webinars and 2,100 one-on-one meetings with members across more than 160 employers.

Acting on client feedback

AMP uses the Net Promoter System (NPS) to continually listen to clients, learn from their feedback and act to improve experiences.

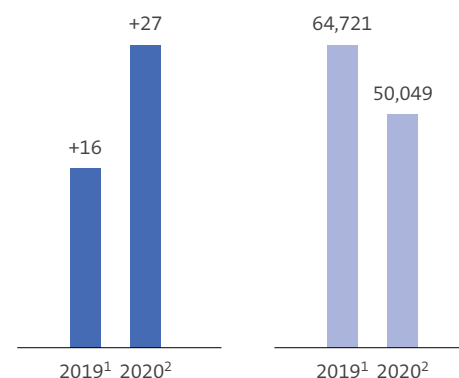
NPS helps us assess how well we meet clients' needs and where we need to improve. The feedback provides valuable insights about what is important to clients and has shaped many changes to our processes and systems.

In 2020, client NPS increased from +16 to +27, due to additional support measures implemented in response to the Australian bushfire season and COVID-19.

Client experience – Net Promoter Score (NPS)

Client NPS (average for Australian clients)

Number of NPS surveys (Australian clients)



- 1 The 2019 figure has been restated to exclude AMP Life business for comparative purposes.
- 2 2020 figure excludes AMP Life business.





1. Client experience and investment performance

AMP Customer Advocate

The Customer Advocate supports strategic management of client conduct risk including systemic customer issues; incidents, issues and breaches; product design assurance; and customer experience.

The AMP Customer Advocate supports clients through four focus areas:

1. Embedding fairness principles at the centre of our decision making through governance and board oversight.
2. Enabling an enterprise approach to client conduct risk through our client governance framework.
3. Advocating for better client outcomes through regulatory, stakeholder and community engagement.
4. Providing fair and reasonable complaint outcomes through impartial complaint reviews for our Australian clients.

From December 2020, clients are no longer offered the option of seeking review by the Customer Advocate following operational changes to align to industry practice.

The number of complaints escalated to the AMP Customer Advocate declined in 2020; however, new and enhanced client complaint outcomes remain largely steady at 55%, compared to 58% in 2019 and 52% in 2018.

Customers Experiencing Vulnerability framework

Our commitment to clients is demonstrated in the Customers Experiencing Vulnerability Policy, which outlines how to treat clients with sensitivity, respect and compassion. Clients can expect extra support from us when they are experiencing vulnerability, or when they need help with their individual needs.

In 2020, a new standard was introduced, articulating the key requirements for our Australian business teams in providing special care and additional assistance to clients experiencing vulnerability. Our Customer Advocate team conducted training sessions for front line complaint resolution teams, which covered how to recognise vulnerability and the options available to help clients.

The AMP website was also updated with a centralised online resource for clients providing useful information about the special care or additional assistance AMP can offer.

Customer Advocate	2020	2019	2018
Clients assisted ¹	616	900	536
Complaint reviews completed + 40 AFCA legacy	344	327 + 21 AFCA legacy	136
Complaint reviews resolved in favour of the client ²	55%	58%	54%
Enhanced resolution for the client	12%	5%	14%
New outcome for the client	43%	53%	40%

¹ From December 2020 clients are no longer offered the option of seeking review by the AMP Customer Advocate.

² Calculated as a percentage of complaint reviews completed by the AMP Customer Advocate. Percentage represents the sum of 'Enhanced resolution for the client' and 'New outcome for the client'.





1. Client experience and investment performance

Investment performance	2020 ¹
AMP Capital assets under management meeting or exceeding benchmarks	66%
AMP Capital Public Markets assets under management meeting or exceeding benchmarks over a three-year period	62%
AMP Capital Infrastructure Equity investments meeting or exceeding benchmarks over a three-year period	73%
AMP Capital Real Estate investments meeting or exceeding benchmarks over a three-year period	72%

¹ In 2020, AMP Capital changed measuring investment performance from goals to benchmark. Historic performance is available in [performance data summary](#).



Investment performance

Through our investment management business, AMP Capital, we aim to be a trusted partner of our clients delivering consistent investment performance.

AMP Capital is the appointed asset manager for a majority of the assets under management of AMP Australia, including superannuation members and default MySuper funds.

As at December 2020, the proportion of AMP Capital's Assets Under Management (AUM) performing at or above benchmarks was 66% over three years. Our internal target is 75% over three years.

AMP Capital saw solid results in real assets, with 73% of infrastructure investments meeting or exceeding benchmarks and 72% of real estate investments meeting or exceeding benchmarks over a three-year period.

Market volatility and economic impacts on certain sectors, including airports and shopping centres, impacted investment performance during 2020.

2020 was strong year for AMP Capital's Global Equities and Fixed Income funds with 94% meeting or exceeding benchmarks over a three-year period.

Future outlook

Our new strategy to become a client-led, simpler and growth-oriented business will see AMP focus on delivering strong client outcomes. This includes:

- Further simplifying our superannuation and investment options for clients.
- Prioritising the identification and resolution of systemic issues across the organisation, managing client conduct risk.
- Completing client migration to annual agreements ahead of legislative requirements.
- Increasing advice accessibility by uplifting phone-based advice.
- Delivering on our enterprise approach to clients experiencing vulnerability and embedding AMP Fairness Principles into all decision making.
- Transforming our AMP KiwiSaver scheme and wider investment product suite in New Zealand to deliver investment outcomes.



2. Regulatory and legislative environment

The financial services sector is highly regulated and is subject to regulatory scrutiny and legislative change, as well as continued media and political focus.

AMP supports strong and stable financial systems that are critical to the success of the global economy. AMP seeks to engage with regulators and legislators to ensure the interests of all our stakeholders are represented.

The regulatory and legislative environments are important for AMP as they set the boundaries and the rules within which our business operates, and our clients are served. AMP engages with regulators and legislators to ensure the system maintains the confidence of the public, and the framework works for the benefit of our stakeholders.

In 2020

We have increased investment in responding to regulatory commitments, including ensuring our legal and regulatory responsibilities are front of mind for all employees in our daily activities. This includes centralising our regulator commitments to drive greater transparency on our regulatory performance.

We continue to contribute cooperatively and constructively to the regulatory, policy and legislative debate across financial advice, superannuation, banking, life insurance, and the role of financial services more broadly in the economy.

Regulatory and legislative change approach

We monitor regulatory and legislative changes and engage in important discussions on the potential outcomes for banking, superannuation, retirement incomes, life insurance, financial advice and asset management.

In 2020 we contributed to many of these important policy and regulatory developments including:

- **Royal Commission:** AMP contributed to consultations on Royal Commission-related recommendations and legislation on items such as grandfathered commissions, advice fees in superannuation, insurance claims handling, Compensation Scheme of Last Resort, Mortgage Broker Best Interests Duty and Remuneration Reforms, unfair contract terms, APRA Prudential Standard CPS 511 Remuneration and Strengthening Breach Reporting.
- **Parliamentary Committees:** AMP appeared before the House of Representatives Standing Committee on Economics Inquiry into the Four Major Banks and other Financial Institutions, in both its superannuation and financial advice hearings.
- **Retirement Income Review:** AMP contributed to the Government's Retirement Income Review, including participating in preliminary industry working groups and making a written submission.
- **Foreign investment:** AMP contributed to the Government's review into Australia's foreign investment laws culminating in a revised foreign investment framework.
- **Product Design and Distribution:** AMP engaged with ASIC on its regulatory guide setting out its expectation for compliance with the Product Design and Distribution Obligations legislation.
- **Budget measures:** AMP assessed the impact of the Government's Federal Budget measures, 'Your Future, Your Super', and advocated for change with legislators.
- **Authorised Deposit-taking Institutions:** AMP contributed to consultations on responsible lending obligations for Authorised Deposit-taking Institutions (ADIs), and broader reforms to the ADI capital framework.
- **Industry bodies:** AMP engaged with industry bodies more broadly – AMP is an active participant in multiple industry associations such as the Association of Superannuation Funds of Australia (ASFA), the Australian Banking Association (ABA), the Financial Services Council (FSC), the Alternative Investment Management Association (AIMA), the Australian Financial Markets Association (AFMA) and the International Swaps and Derivatives Association (ISDA).





2. Regulatory and legislative environment

Royal Commission recommendations implementation

AMP has continued to implement changes to address the 76 Royal Commission recommendations, which we measure through 78 initiatives. With the introduction in Parliament of two Royal Commission-related bills in November and December 2020, there is further clarity and certainty over the details of the reforms and the commencement dates. AMP remains on track to meet the commencement dates of the various reforms.

KiwiSaver legislative change

KiwiSaver is a savings scheme designed to help New Zealanders set themselves up for retirement. As part of a regular review process, the New Zealand Government has created new rules for all default KiwiSaver providers to comply with from 2021, including AMP. For example, new default KiwiSaver members will be automatically invested in balanced funds and investments in fossil fuel production will be excluded from the funds of all future default providers. We are supportive of the proposed changes as we continue to strengthen our offering and do more to help our clients achieve their retirement aspirations.

International regulatory change

AMP operates in several jurisdictions globally, primarily through our asset management business AMP Capital. Each jurisdiction has different requirements, which continue to evolve. We have a dedicated team that monitors and assesses global regulatory change. The team works with our network of jurisdictional risk and compliance professionals located in our global offices to understand the impacts of regulatory change and implement change activity where required.

AMP Capital is also an active member of several global industry bodies and committees which support us in understanding and meeting changing global regulatory obligations.

In 2020, key activities included:

- Executing on plans to transition away from the use of the London Inter-bank Offered Rate (LIBOR).
- Executing on scenario plans as a result of Brexit.
- Advancing progress to deliver required reporting under the new EU mandatory disclosure of certain cross-border arrangements rules (otherwise known as DAC6).
- Facing into foreign direct investment rules put in place in response to growing global national security concerns.

Royal Commission recommendations related measures

Total measures	78
Complete	10
In progress	36
Legislation in consultation	32





2. Regulatory and legislative environment

Regulator engagement

In 2020, AMP introduced a revised Regulator Engagement Policy and new procedures to drive better coordinated, higher quality and more timely engagement with our regulators.

AMP has a dedicated enterprise-wide Regulatory Relations team, that manages regulatory relations across AMP by providing oversight, review and challenge over material regulatory interactions from a group perspective. The team also acts as single point of contact for regulators and provides data to assist AMP in meeting regulatory commitments.

This approach has driven greater transparency of regulatory commitments and interactions.

Governance, Risk and Compliance (GRC) system

AMP has a central GRC system to raise and manage incidents, issues, breaches, risks, controls and compliance obligations. The system utilises technology and data analytics to improve reporting and responses to breaches.

In 2020, we embedded updated modules for the Superannuation Trustee. These modules collectively provide inbuilt workflows and notifications that ensure we understand and manage risks and controls in a way that is consistent with our three lines of defence model (for more information see [AMP's Enterprise Risk Management Policy](#)).

New functionality was implemented in the system to allow end-to-end control assurance activities, including control testing, sampling and evaluation and recording evidence and responses. It also provides a clearer view of the events and problem areas that impact the risks facing AMP, and the activities undertaken to control and manage our risks and to comply with obligations.

Regulator monitoring and COVID-19

In the first half of 2020, AMP supported key regulators, ASIC and APRA, to focus on addressing the challenges created by the COVID-19 pandemic. Supervisory activities focused on capital, liquidity, operational resilience and protecting vulnerable customers.

In the second half of the year, although COVID-19 concerns remained, regulatory developments included:

- ASIC's consultation on promoting access to affordable advice for consumers.
- ASIC's expansion of regulatory guidance on remediation to include all financial services licensees.
- ASIC's new regulatory guidance on Design and Distribution Obligations.

Political donations

While AMP does not make direct donations to political parties, we do participate in various political party forums to maintain dialogue and contribute to better policy outcomes for the company and our clients.

Future outlook

2021 will be another year of significant regulatory and legislative change as AMP:

- Works constructively with the government, regulators, advisers, trustees and other bodies to ensure that, as the government's significant legislative agenda is implemented, the outcomes are clear, simple and meet the best interests of clients.
- Invests further in the GRC system to enhance the current modules to address other focus areas including licence management.
- Continues to implement measures arising from the recommendations of the Royal Commission.

Regulator monitoring	2020	2019
Regulatory commitments ¹	1,090	1,346

1 Includes activities requested by regulators or activities we have advised we will complete.



3. Digital disruption and security

These technological changes enable us to improve our client experience, improve operational effectiveness and strategically position AMP for the future.

These advances also come with new and increased exposure to cyber security and privacy threats, with the potential to impact operational and financial sustainability. AMP maintains a cyber defence and privacy capability to continually address and adapt to evolving cyber threats and the increasing focus from regulators.

In 2020

The impacts of COVID-19 to the way we work and live have led to significant changes in the way clients expect to engage with businesses and their finances. AMP is responding to these changes by providing clients new channels to communicate with us and access information relating to their investments.

Increased use of digital channels has also created increased cyber security and privacy risks. AMP has a dedicated cyber security team, responsible for strengthening controls and processes to defend against evolving threats. We also conduct our activities in line with the commitments in our [Privacy Policy](#).

COVID-19 support

In 2020, we launched a Facebook Messenger bot to assist those seeking financial help and information on COVID-19. The bot asks users a series of questions and then, based on their answers, directs them to the information they need on AMP's COVID-19 Support Hub.

The COVID-19 Support Hub on our website is for AMP and non-AMP clients and contains information on managing different financial scenarios and guides users to the broad range of assistance available from the government and the financial sector, including AMP.

In response to COVID-19, we scaled the deployment of best-in-class collaboration and network services, enabling a seamless transition of 95% of employees to working remotely. Our proactive cloud investment ensured no impact, or loss of service, for AMP's clients and employees.

Case Study

Apple Pay

In 2020, AMP Bank launched secure payment through Apple Pay. This provides clients a fast, easy and secure way of paying for goods and services without needing to handle anything other than their personal smart device, which has never been more important than during the extraordinary times of COVID-19.





3. Digital disruption and security

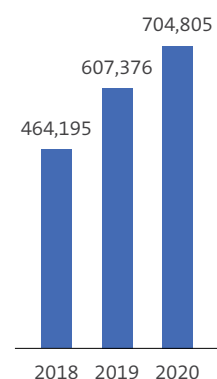
Improved online tools and experience

In 2020, we increased the functionality of websites and platforms to improve flexibility of services and make it easier to interact with AMP.

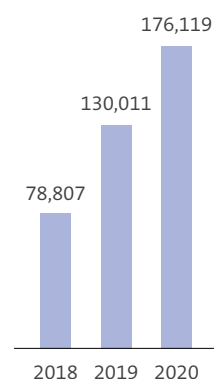
MyAMP is a one-stop online wealth-management technology for banking, tracking cash flow, budgeting, reviewing and changing super and insurance arrangements, and accessing investment research. Over 400,000 clients use MyAMP to better manage their finances.

Digital client channels

Total registered users for MyAMP¹



Total MyAMP app registrations²



1 From 2020, AMP has changed this metric from total clients using MyAMP to total registered users for MyAMP.

2 From 2020, AMP has changed this metric from total app downloads to total app registrations.

MyAMP's new features include:

- Interactive goals timelines.
- Money manager budgeting tools to view whole-of-wealth position.
- Cash flow and budgeting insights based on spending habits.
- KiwiSaver estimated balance projections tool.

Cloud technology and implementation

AMP has commenced a number of infrastructure cloud transformation programs that will deliver the latest modern capabilities and services. We have transitioned a number of technology services to enable a progressive move from traditional data centres to the cloud.

This significant investment in cloud services will enhance efficiency and agility, drive simplification, improve client and employee experience, foster innovation, and accelerate speed-to-market for our products and services, whilst improving our risk and control compliance. The program will also deliver cost reductions, which will be realised throughout 2021.

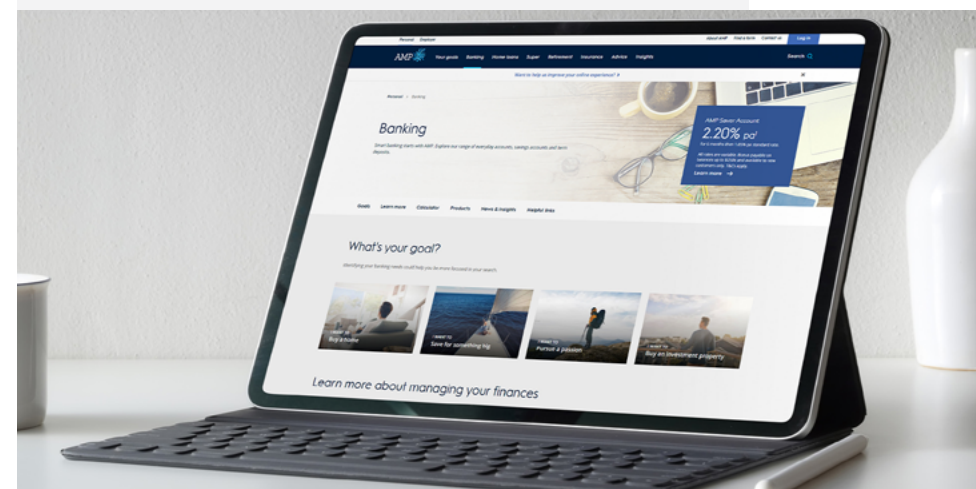
We are also investing in our people and launched The Cloud Academy to train our people and enhance our cloud-based capabilities. Over 500 employees have advanced their skills and knowledge through a wide range of cloud training courses since June 2020.

Case Study

The clientHUB

The clientHUB is an ecosystem of leading technologies, providing digitally enabled advice experience for clients and advisers on one platform. Underpinned by Salesforce technology, clientHUB provides an integrated practice management system. Our integration with XPLAN financial modelling tools connects us to a market leader in developing and producing quality advice in an efficient way.

In 2020, we started the rollout to our advice network, migrating 61 practices onto clientHUB and delivering 21 new technology features. We continue to provide support to practices, including through a range of webinars, quick reference material and phone and email support. We expect clientHUB to be deployed to more practices in 2021 with the inclusion of additional features.





3. Digital disruption and security

Information and cyber security

Cyber security threats continued to evolve throughout 2020. The shift to remote working and uptake of collaborative technologies due to the pandemic resulted in increased attacks by malicious actors.

AMP has been strengthening our cyber security through a multi-year program. In 2020, AMP's dedicated cyber security team:

- Strengthened governance and assurance frameworks for cyber threats.
- Delivered changes to meet regulatory requirements for information security.

Protecting privacy

Protecting the privacy of personal information we collect and use is paramount to maintaining trust with our clients, employees, and other stakeholders. Our Privacy Office is responsible for managing our privacy program, setting policy and standards, ensuring privacy risks are identified and managed, maintaining privacy awareness and monitoring compliance.

Our Privacy Office employees are members of the International Association of Privacy Professionals (IAPP), which enables AMP to stay up to date with the latest developments in privacy and data protection. We also ensure that all AMP employees and contractors complete mandatory privacy training.

Reporting breaches

Data breaches involve the loss, unauthorised access or disclosure of personal information. This can result from an error by a company, a third party or malicious attacks/acts by external or internal parties.

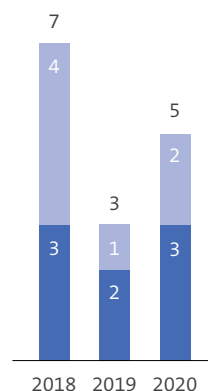
AMP takes privacy, data security and our obligations to report and notify clients, employees and other stakeholders very seriously. We have comprehensive incident response and data breach response plans, which ensures a proactive approach to unauthorised access, disclosure or loss of personal information.

During 2020, we notified the Office of the Australian Information Commissioner (OAIC) and the Office of the New Zealand Privacy Commissioner of five data breaches that impacted a small number of our clients. The causes of the data breaches included two cases of human error and three cases of malicious attacks/acts by a known external party, an employee and a former adviser. In all cases, we notified impacted individuals, and took steps to protect individuals from harm and prevent future data breaches.

Future outlook

Digital innovation and security remain high priorities for AMP and key activities for 2021 include:

- Continuing to update our wealth management technology platforms to enhance client and adviser experience.
- Continuing the delivery of the Cyber Defence Centre to manage increasingly sophisticated cyber threats.
- Expanding our control and governance of our cloud infrastructure and applications.
- Training employees on appropriate data security protocols and strengthening access management controls.
- Rolling out clientHUB to more advice practices in our network and providing further feature enhancements to improve the advice experience for clients and practices.



Reportable data breaches

- Human/system error
- Malicious attacks/acts

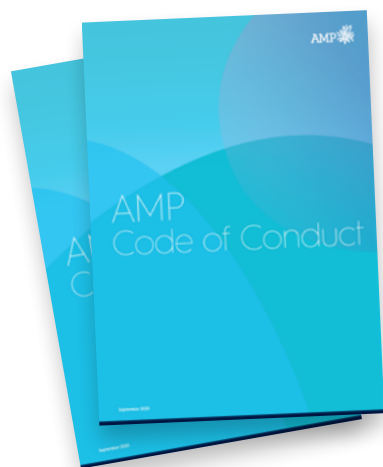


4. Ethical conduct and governance

AMP is committed to rebuilding trust by taking action across multiple areas to improve our culture, strengthen governance systems and ensure executive management and employees understand their accountabilities.

AMP's [Code of Conduct](#) is our commitment to acting ethically and responsibly. It outlines the minimum standards of behaviour, decision making and our expectations for the treatment of employees, clients, business partners and shareholders.

We are focused on ensuring we always act in the best interests of our clients and meet and exceed the expectations of the community. We have more to do and we are committed to fixing our mistakes, including remediating clients.



Public faith in financial institutions is essential in maintaining the confidence of clients, investors and the community. Trust in AMP, and the financial services sector more broadly, has been eroded by unacceptable conduct and governance issues.

In 2020

In 2020, AMP faced criticism about our culture and our ability to appropriately manage conduct issues, including sexual harassment. We are aware that our decisions did not meet the expectations of many of our clients, employees, shareholders and the broader community. Following this stakeholder feedback, we made changes to our board and executive team and implemented a range of measures to drive cultural change focusing on strengthening accountability and inclusion. This included:

- Updates to our Code of Conduct and Consequence Management policies.
- Establishing a Consequence Management Committee to strengthen oversight of conduct breaches.
- A third party review of workplace conduct.
- Establishing an employee-led Inclusion Taskforce to advise our leadership teams.
- Setting new diversity targets (detailed in [Human capital management](#)).

In addition, we continue to remediate where we have previously let clients down and support our advisers to meet their formal professional development requirements. In 2020, we established our Group Integrity Office which continues oversight over our established whistleblowing, fraud and risk culture programs.

Code of Conduct and Consequence Management

AMP's [Code of Conduct](#) and Consequence Management policy were updated in 2020 with new content on confidentiality, conflicts of interest, workplace health and safety and sexual harassment. We also updated the e-learning module as part of employee mandatory training.

The Consequence Management Policy defines consequences for breaches of the Code of Conduct or other types of misconduct. The policy applies to all AMP employees and includes a schedule of consequences for different categories of breaches or misconduct that leaders are required to use when determining the appropriate consequences.

In addition, a Consequence Management Committee was established, chaired by the Group Executive of People and Corporate Affairs, as the primary governance mechanism for reporting and monitoring consequences. All serious conduct cases are reported on a quarterly basis and reviews are conducted to ensure that consequences are being applied consistently and fairly across the company.

In 2020, AMP recorded 172 alleged misconduct cases through our People and Culture team. Of these, 88 cases were substantiated, with 46 cases considered as serious conduct breaches warranting the application of remuneration or management consequences, including formal warnings and performance-based remuneration reductions. Of the 46 cases, 24 resulted in termination of employment. 84 cases were not substantiated as they were either withdrawn, resolved informally between employees or there was a lack of evidence to substantiate.

Conduct	2020
Total number of alleged misconduct cases	172
– Cases substantiated	88
– Serious conduct breaches warranting remuneration and management action	46
– <i>Cases substantiated leading to termination</i>	24
– Cases not substantiated (eg lack of evidence, resolved informally between individuals or complaint withdrawn)	84



4. Ethical conduct and governance

Case Study

Workplace conduct review

In 2020, AMP commissioned the diversity, inclusion and culture consultancy firm, Symmetra, to complete an external review. This was in response to employee and stakeholder feedback to the appointment of the AMP Capital CEO and other concerns about workplace culture and conduct.

The review included an assessment of policies, process and frameworks, a review of historical case data, 1:1 interviews with leaders, an all-employee survey and employee focus groups. The review assessed against five best practice pillars:

1. Reporting and measurement
2. Inclusive leadership and culture
3. Internal capability
4. Confidentiality, transparency and risk
5. Policy and process

AMP was found to be 'mid-range' overall on these pillars. We have already implemented a range of actions in 2020 and this review will inform further actions for 2021. We have also improved transparency by reporting conduct and expanded people-related metrics in this report (see [performance data summary](#)).

Group Integrity Office

AMP's Group Integrity Office (GIO) was established in July 2020, comprising three functions:

- Integrity Investigations (including the Whistleblowing Program).
- Group Fraud.
- Risk Culture and Capability.

The GIO is critical to ensuring we uphold the integrity of AMP by having independent mechanisms for people to speak up and raise concerns, establishing measures to prevent and effectively manage fraud as well as for training and awareness of risk.

Whistleblowing

AMP's Whistleblowing Program provides a secure channel for people to report concerns relating to AMP. It provides assurance that concerns will be reviewed and/or investigated in an objective, independent and confidential manner, with appropriate corrective action taken where concerns are substantiated.

In 2020, we conducted updated face-to-face training for all senior leaders as well as e-learning for all employees. Greater awareness and investment in our Whistleblowing Program contributed to 69 whistleblowing issues raised, representing an increase compared to 2019 and 2018.

The [Whistleblowing Policy](#) is accessible to all current and former employees, contractors, service providers, associates and officers of AMP.

Strengthening risk culture

A strong risk culture is an essential pillar of our risk management framework. We have a dedicated team responsible for executing this strategy in the Group Integrity Office by strengthening employee risk capability and awareness.

Key initiatives for 2020 included:

- Revising mandatory training modules.
- Launching awareness material and videos on internal channels to further educate on key risk concepts and encourage escalation and speaking up on risk and conduct.
- Supporting the implementation of long-term, sustainable solutions, focusing on root cause analysis, and developing action plans for issues with realistic timeframes.
- Recognising and rewarding good risk behaviour through high profile award and recognition programs.

AMP Whistleblowing	2020	2019	2018
Issues raised through AMP Whistleblowing Program	69	37	20
Issues directed to the Your Call external, confidential service	29	20	17
Issues directly received by our Whistleblowing Program	40	17	3
Issues investigated that were not substantiated	36	20	12
Issues substantiated, resulting in appropriate consequences	21	10	4
Issues investigated that were related to corruption	0	0	0
Issues still under investigation	8	5	4
Issues not investigated	4	2	–



4. Ethical conduct and governance

Mandatory training

AMP employees and advisers are required to complete a range of mandatory training modules annually or biennially, to ensure ongoing compliance with relevant laws, regulations, policies and practices required of AMP employees. Content includes the AMP [Code of Conduct](#), preventing financial crime, anti-bribery and corruption, workplace health and safety, information security and more. In 2020, completion rates remained high at 99%.

Mandatory training	2020	2019	2018
Employees completing mandatory training, including Code of Conduct and Consequence Management ¹	99%	98%	97%

¹ Completed by individuals on the AMP payroll, including employees and time and materials contractors.

Anti-bribery and corruption

AMP's [Anti-bribery and Corruption \(ABC\) Policy](#) was approved by the AMP Limited Board Audit Committee and communicated to all employees in November 2020. It defines our approach to prevent, detect and deter bribery and corruption and comply with relevant legislation in all jurisdictions in which we operate and/or have an active registration or licence.

Client remediation

The client remediation program was 80% complete as of FY20. This mandatory program followed findings at the Royal Commission. It identifies and compensates clients who have suffered loss or detriment as a result of:

- Inappropriate advice from their adviser; or
- Where clients have been charged an advice service fee without the provision of financial advice services (or insufficient evidence of the provision of financial services).

The program remains on track to be complete by mid-2021. Total program spend at end of 2020, including program costs and money repaid to clients, was \$405 million. Payments to clients are expected to accelerate in the first half of 2021 as the program completes. Overall remediation costs remain broadly in line with original estimate provided in 2018.

Our client remediation program consists of the following at FY20:

- Inappropriate advice, approximately 97% complete.
- Fee for no service:
 - Active advisers: approximately 80% complete.
 - Inactive advisers: approximately 45% complete.
 - Expected refund rate of approximately 19%.



4. Ethical conduct and governance

Compliance with Financial Adviser Standards and Ethics Authority

The Financial Adviser Standards and Ethics Authority (FASEA) was established in April 2017 to set the education, training and ethical standards for Australian licensed financial advisers.

As of 1 January 2019, new entrants into the financial planning industry require a FASEA-approved degree (or higher) and existing advisers are also required to upskill to meet the new higher education requirements. AMP is committed to supporting our advisers with clear pathways to achieve compliance.

As at 14 December 2020, 992 AMP advisers had sat and passed the Financial Adviser exam, representing 61% of our network. We have supported our network of advisers by offering access to Continuing Professional Development (CPD) assessed exam preparation online modules, which align to the topics being assessed in the national exam.

In 2020, AMP also incorporated six Professional Planner ethics podcasts as part of our annual Professional Development Series. This content also assisted advisers to meet their annual ethics CPD requirements.

Future outlook

Conduct, accountability and creating a strong risk culture remain key priorities for AMP as part of AMP's cultural transformation. Key future activities will focus on:

- Developing additional channels for employees to informally raise concerns and seek advice.
- Engaging in industry initiatives addressing conduct issues.
- Being transparent and reporting against financial and non-financial metrics, including risk, leadership and conduct.
- Strengthening risk awareness through communication and actively encouraging escalation (including incidents and whistleblowing).
- Embedding risk accountabilities into AMP's performance management framework.
- Further embedding risk culture in the employee lifecycle.
- Completing our client remediation program.

Adviser professional standards	2020	2019	2018
Advisers meeting FASEA exam requirements	61%	22%	–
Advisers completing annual CPD requirements, including ethics training	86% ¹	92%	94%

¹ Data at 31 December 2020. The government-imposed deadline for completion of annual CPD requirements for 2020 was extended until 31 March 2021 in light of COVID-19.





5. Human capital management

As a financial services company, we understand that our people are critical to how we create value and deliver for our clients. Our people vision is to create the environment that inspires people to exceed expectations.

We are committed to building an inclusive culture that reflects the communities we serve and enables our diverse global workforce to contribute their best every day.



In 2020

In 2020 we continued to develop our people and our culture in line with AMP's purpose. We have maintained open channels for feedback from our employees, offered wellbeing support, and reset diversity targets so we can continue to monitor our progress.

The COVID-19 pandemic saw AMP's existing flexible working approach further adapt, with more than 95% of employees moving to working from home arrangements during national lockdowns in the first half of 2020. We deployed a range of measures and initiatives to support employees and business partners to work from home with equipment, systems access and broader wellbeing support.

We have also extended our disclosures on people-related metrics, including expanded demographic data on our workforce. For more detail, please refer to the [Performance data summary](#).

Our culture

Culture is a core element of AMP's three-year transformation strategy and initiatives to strengthen our culture were accelerated in the second half of 2020 to drive accountability, inclusion and high performance.

Our behaviours describe what we expect of each other in order to live our purpose and deliver on our strategy. The behaviours are:

- **Think client first:** Consider the client impact in everything we do and in every decision we make, and be obsessive about improving client outcomes.
- **Act like an entrepreneur:** Actively manage the upside and downside of risk. Consider all decisions in the context of this being your own company and ask these questions: Would you do this? Would you spend this money? Would you buy this product or service?
- **Take action and be accountable:** Be accountable to take action in service of our clients, employees, shareholders and communities. Consider the options, understand the risks, make the decision and move swiftly to action.



5. Human capital management

Talent attraction and retention

AMP operates in a highly competitive market. Employee engagement rose during the first half of 2020, with employees responding strongly to AMP's response to the COVID-19 related lockdowns. In the second half, disclosure of workplace conduct and consequence management issues had a negative impact on engagement which increased talent risk for AMP. In addition to the actions set out in Ethical conduct and governance, we are:

- Developing an employer brand and attraction strategy for internal and external audiences.
- Prioritising internal mobility and talent review to build capability, develop careers and strengthen future succession across the organisation.
- Leveraging AMP's very strong graduate program to attract and develop quality graduate talent.
- Providing differentiated and personalised development for talent, including developmental planning, leadership coaching and education opportunities.

Employee satisfaction

We use several key measures to help track progress in supporting and developing people, including overall employee satisfaction.

During 2020, we encouraged our people to speak up in internal forums and worked to ensure leaders continued to listen to feedback from their teams, through initiatives such as our monthly employee pulse surveys. Despite facing several challenges in 2020, satisfaction fell slightly from 68 in December 2019, to 67 in December 2020.

We continue to focus on employee satisfaction as part of our overall people strategy and culture change plan.

Turnover

In 2020, market volatility and an increasing unemployment rate as a result of the global pandemic led to a decrease in AMP's annual voluntary employee turnover rate across all regions.

Voluntary turnover (yearly average)	2020	2019	2018
Total male employees	10.9%	13.9%	13.6%
Total female employees	10.9%	13.7%	13.0%
Australia	10.7%	13.5%	13.0%
New Zealand	14.7%	19.3%	17.6%
International	4.6%	7.8%	7.6%

Employee satisfaction	2020	2019
AMP employee satisfaction score	67	68





5. Human capital management

Diversity

AMP is committed to creating an inclusive culture that enables our diverse global workforce to contribute their best every day. A diverse workforce enables our teams to better connect with clients, foster creativity and innovation, improve discussion and debate in business decision making and boost employee engagement.

We maintained an equal gender balance of 50% female and 50% male across AMP's total workforce in 2020. However, we acknowledge

that only 37% of senior executives were women, falling short of the 2020 target of 47% we set in 2015.

AMP has reviewed its approach and target setting for 2021 and beyond, establishing a simpler 40:40:20 approach to gender representation. This approach requires 40% female, 40% male, 20% open (male or female or other) as an objective to be applied to the board, senior executives, senior management, middle management and the workforce generally.

In November 2020, the board achieved a 43:57 female to male gender balance with the appointment of the third female non-executive director to the AMP Limited Board.

AMProud

Open to everyone at AMP, AMProud is a community group recognising lesbian, gay, bisexual, transgender, intersex and queer/questioning (LGBTIQ+) employees and allies.

In 2020, AMProud continued employee advocacy by acknowledging key LGBTIQ+ days of significance including Mardi Gras, Transgender Awareness Day, Wear it Purple Day and IDAHOBIT Day. Virtual events throughout the year provided opportunities to connect and celebrate with peers. Senior leaders including the CEO and executive team championed these initiatives through an online Mardi Gras campaign and virtual panel event, focusing on the importance of LGBTIQ+ inclusion.

As a member of Pride in Diversity, AMProud also delivered a series of tools and resources, focused on correct pronoun usage, removing HIV stigma and support for LGBTIQ+ staff working remotely during COVID-19.

AMP is Rainbow Tick accredited in New Zealand, which demonstrates that our workplaces welcome sexual and gender diversity.

Case Study

Reconciliation Action Plan (RAP)

In 2020, we launched our [Innovate Reconciliation Action Plan \(RAP\)](#) furthering our contribution towards reconciliation for First Australians. The RAP builds on AMP Capital's Reflect RAP launched in 2019 and long-standing relationships with First Australians through the AMP Foundation.

AMP's approach to reconciliation is focused on working collaboratively with Australia's First Peoples to promote financial wellbeing and implement initiatives that aim to develop cultural understanding, create opportunities for communities and proudly celebrate Australia's heritage.

We have established a RAP Committee to ensure delivery of our commitments, which consists of representatives from across the business. Cultural oversight is provided by our First Australians Program Manager, Binowee Bayles, a proud Koori woman born and raised on Gadigal land.

Gender targets	2021 to 2025 target (%)	2020 target (%)	Female 31 December 2020 (%)	Female 31 December 2019 (%)
AMP Limited Board	40:40:20	40	43	18
Senior executives ¹	40:40:20	47	37	39
Middle management ²	40:40:20	50	44	43
Workforce generally	40:40:20	n/a	50	51

- 1 Senior executives are generally one to four reporting layers below the CEO and represent the top 7% of the organisation. People in these roles typically lead discrete functions and are responsible for making strategic decisions for those functions. They generally have the title Group Executive, Director or Head of.
- 2 Middle managers are generally between three to six reporting layers below the CEO and represent the next 29% of the organisation. People in these roles typically report to our senior executives and are involved in operational decision making or have specialised and high value skills. They have a wide range of titles including Senior Manager, Manager and Lead.



5. Human capital management

Case Study

Inclusive leadership

In 2020, AMP recommitted to building a respectful, inclusive, and psychologically safe culture, with a focus on driving sustainable and impactful change where inclusion is visible and valued at all levels of our organisation.

AMP engaged global diversity and inclusion expert, Symmetra, to support the delivery of the Inclusion for Purpose, Performance and Innovation program. The purpose of this program is to equip all leaders at AMP with inclusive leadership capabilities to drive a respectful culture.

The program started with our top 60 leaders, which included facilitated face-to-face learning, 360-degree feedback, coaching, and online tools and support. An inclusive foundations program will be rolled out to all employees by the end of 2021.

Living wage

In New Zealand, everyone working at AMP, direct or contracted, receives the living wage (NZ\$22.10) or higher, which reflects the real cost of living in New Zealand. We recognise that there are still many New Zealanders who don't receive a fair day's wage for a fair day's work. In 2020, AMP New Zealand helped to launch the Living Wage Principal Partner Programme with three other inaugural members, to encourage more employers in New Zealand to join the movement.

Employee mental wellbeing

2020 has presented a unique combination of external and internal issues that has placed mental health front and centre. As part of AMP's broader people strategy, we have developed a mental health plan to ensure our people's wellbeing is prioritised.

In 2020, the framework focused on raising awareness and providing specialist support services. This included utilising our Employee Assistance Program (EAP), Mental Health First Aid officers, workshops, leader guides, resources and enabling a flexible work environment. We also ran several campaigns around the specific challenges faced as a result of COVID-19 through R U OK? Day, Mental Health Month, and recognising Movember/International Men's Mental Health Day.

Employee physical wellbeing

To support our employees working from home, we conducted a survey to assess employee safety, ergonomic set-up and lifestyle factors to ensure employees had safe and effective remote working practices. We arranged for employees to request ergonomic assessments and suitable equipment for home. While in lockdown, the AMP gym also moved to provide virtual online classes to our Sydney and Melbourne employees.

For essential employees or those who could not reasonably work from home, AMP implemented a range of measures as part of our COVID-19 safety plans. This included:

- Increased onsite cleaning protocols.
- Reduced lift and meeting room capacities.
- QR check-ins onsite for non-AMP employees.
- Increased availability of hygiene items including masks and sanitiser.
- Extensive signage on social distancing requirements.
- Flu vaccinations, both onsite and an increased number of vouchers for employees to use at local chemists.

In 2021, we are updating our flexible working policy so that once the pandemic eases, we have the procedures, support and technology in place to allow our people to agree their working arrangements with their leaders, in a way that meets the requirements of the business, our clients and their team and individual circumstances.

Future outlook

AMP continues to proactively respond to opportunities and challenges presented by market volatility and a global pandemic. There will be further change in 2021 as we continue to reinvent AMP and improve our inclusion and diversity to drive performance as a key pillar of our strategy. Key future activities include:

- Strengthening the link between performance and reward, including behaviours and conduct.
- Extending inclusive leadership program to all employees.
- Completing advice reshape program, continuing to actively support adviser network throughout migration.
- Undertaking an inclusion and diversity survey.
- Delivering on our new diversity targets.
- Delivering on our RAP commitments.
- Extending inclusive leadership program to all employees.
- Supporting employees with remote working and keeping our offices safe and clean.



6. Responsible investment

We consider a range of factors when investing on behalf of our clients and AMP superannuation members including natural resource use, climate change, human rights, workplace health and safety, executive remuneration, board composition and diversity.

AMP Capital is the appointed asset manager for the majority of client funds in the group, including default MySuper options. Clients also have access to a range of investment options through external fund managers and on our flagship investment platform, North.

Through AMP Capital, we launched our first responsible investment funds in 2001, and in 2007 became one of the first signatories to the UN-backed Principles for Responsible Investment (PRI). AMP is also a member of the Responsible Investment Association of Australasia (RIAA).

In 2020

Our ongoing commitments to ESG and responsible investing have been reflected through:

- AMP Capital achieving A/A+ ratings for our PRI assessments across all major asset classes and being recognised among PRI's leaders group for 2020.
- AMP Capital real estate funds scoring an average 86% in GRESB and with five funds receiving five Green Stars – the highest rating available.
- Environmentally and socially themed investments, which have grown to approximately 10% of AMP Capital's total AUM including renewable energy, water infrastructure, green bonds and low-carbon building portfolios.
- Making infrastructure investments in environmentally and socially themed areas which have grown to approximately 30% of AMP Capital's infrastructure AUM including clean energy, water, education, healthcare and community infrastructure.
- AMP Capital was named winner Global Sustainable Investor of the Year for 2020 by Infrastructure Investor.
- Offering ethical and sustainable investment options through our platforms, including launching the Sustainable Managed Portfolio fund on our flagship investment platform, North.

We are committed to responsible investment and consider environmental, social and governance (ESG) factors in our investments to drive better long-term financial outcomes for our clients and to achieve better outcomes for society.

Responsible investment	2020	2019	2018
PRI reporting and assessment scores (across all asset classes)	A+/A	A+/A	A+/A
% of AMP Capital AUM invested in environmentally and socially themed assets	10%	10% ¹	7%
% of AMP Capital infrastructure AUM invested in environmentally and socially themed assets	30%	29%	27%

1 The 2019 figure was restated in 2020 to include green bonds. These assets are now included in AUM figures from 2019.





6. Responsible investment

Investment approach

Investing in companies and assets with long-term sustainable business models is an important part of our investment approach across all asset classes. AMP Capital's [ESG and Responsible Investment Philosophy](#) outlines our approach to considering material ESG factors. Our team of specialists work in asset classes and across investment teams, providing research and advice that is integrated into our decision making and active ownership strategies.

AMP Capital engages with individual investee companies and other investors for industry responses to these issues. As of 2020, AMP Capital is an active member or signatory of a number of initiatives, summarised in this table.

ESG	Climate	Gender	Governance	Human Rights
<p>Signatory of:</p>  <p>Principles for Responsible Investment (PRI)</p>	 <p>Carbon Disclosure Project</p>	 <p>30% Club</p>	 <p>Asian Corporate Governance Association</p>	 <p>Cleaning Accountability Framework</p>
 <p>Responsible Investment Association Australasia (RIAA)</p>	 <p>Investor Group on Climate Change (IGCC)</p>		 <p>International Corporate Governance Network (ICGN)</p>	
 <p>Global Real Estate Sustainability Benchmark (GRESB) for real assets</p>	 <p>Climate Action 100+</p>			



6. Responsible investment

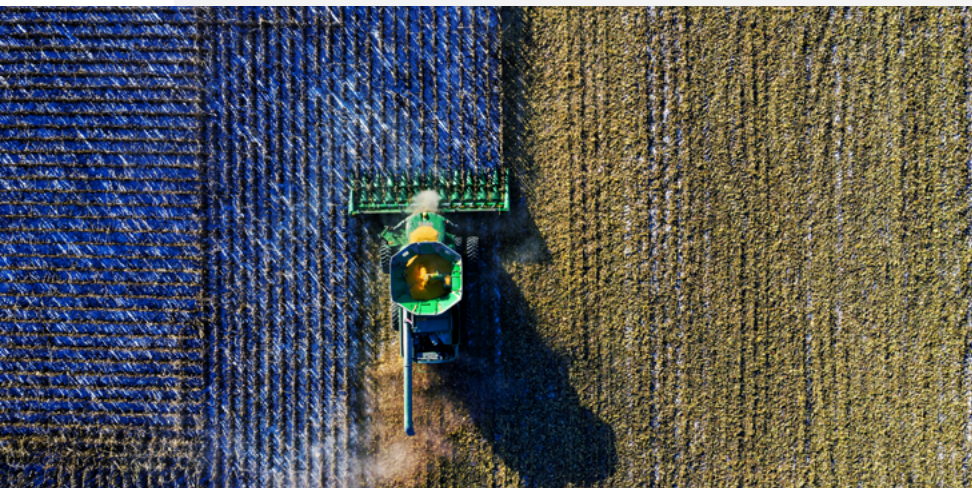
Case Study

Australian Sustainable Finance Initiative (ASFI)

ASFI represents an unprecedented collaboration helping to shape an Australian economy that prioritises wellbeing, social equity and environmental protection, while underpinning financial system resilience and stability.

In 2020, ASFI released its [roadmap](#), a comprehensive plan including 37 recommendations for aligning Australia's financial system with a sustainable, resilient and prosperous future. The roadmap represents the collective output of more than 140 participants from 80+ organisations across Australia's financial system.

AMP is proud to be involved in ASFI with senior contributors from AMP Capital in ASFI's Steering Committee, Coordinating Working Group and Technical Working Group – Mobilising Capital.



Governance and proxy voting

As a global investor, AMP Capital is committed to engaging and influencing the companies we invest in on corporate governance matters.

By virtue of the shareholdings under our management, we endeavour to lodge considered proxy votes on all resolutions and engage with companies on specific matters.

Issues discussed typically include board composition and independence, remuneration, corporate accountability structures, compliance, negligence, bribery and corruption, conflicts of interest, related-party transactions, shareholder rights, accounting and audit quality. This is done in the interests of driving better long-term outcomes for our clients.

The details of our proxy voting activities including our voting statistics are available on the [AMP Capital website](#).

Ethical framework

As part of our [ESG and Responsible Investment Philosophy](#), we may exclude, in exceptional circumstances, companies or sectors on ethical grounds across our entire portfolio where AMP Capital is responsible for the investment management.

Our [Ethical Framework](#) recognises and applies degrees of 'harm' or the 'denial of humanity' of another person as determining factors. It also takes into account whether there are international conventions that prohibit or control the use of a company's products.

On reviewing all of the sectors in which we invest, AMP Capital concluded in 2017 that manufacturers of tobacco, cluster munitions, landmines and biological and chemical weapons do not meet the required ethical standards and are therefore excluded from our investable universe.



6. Responsible investment

AMP Capital Real Assets: Real Estate

In 2020, we continued to progress on our ambitious [2030 Real Estate Sustainability Strategy](#), which aims to address key sustainability issues facing the real estate sector and the assets we manage on behalf of clients, including climate change, waste, biodiversity, social impact, accessibility and supply chain.

We are pleased to report progress on a number of objectives and targets in 2020 including:

- **ISO14001** – We have successfully completed external auditing and obtained ISO14001 certification of our Environmental Management System (EMS). Certification demonstrates our commitment to managing environmental risk and improving environmental performance.
- **Increased onsite renewable energy generation capacity** – 450 kWp of solar photovoltaic panels were installed at the rooftop carpark at our Marrickville Metro Shopping Centre. When the system goes online, it is estimated to generate approximately 650,000 kWh of green power per year. Solar systems were also installed at two office locations in Queensland.
- **Waste reduction** – Macquarie Shopping Centre was awarded a grant from the NSW Government to trial compostable packaging and segregated collection of compostable waste in June 2020. Part of the grant will be used to purchase infrastructure for an organics compactor and 36 food and beverage tenants will be transitioning to compostable packaging. This will eliminate single-use plastic and will reduce recycling contamination.
- **Biodiversity conservation reserve** – AMP Capital has identified a suitable site in Northern NSW on which to establish Marri Daramu, a biodiversity conservation reserve equal in size to our real estate portfolio footprint. This 400 hectare site will be owned and cared for by AMP Capital and we will continue to acquire more bushland in the future to offset our growth. Marri Daramu means ‘many trees’ in Gadigal language. When we have settled on the acquisition of the site, we will engage with the local Aboriginal Land Council to help identify cultural heritage items on the site and understand how we can work together to recognise and respect continuing Aboriginal connections to the land and build awareness of Aboriginal culture.

Case Study

Australian Wholesale Office Fund (AWOF) powered by 100% renewables

In 2020, AMP Capital Real Estate signed a Power Purchase Agreement (PPA) to power all commercial office building assets in AWOF by 100% renewable electricity. The PPA means AWOF will achieve carbon neutrality in 2021, nine years ahead of our 2030 target.

The AMP Capital Wholesale Office Fund is a core office vehicle, providing investors with exposure to a portfolio of office assets primarily located in the markets of Sydney and Melbourne.





6. Responsible investment

AMP Capital Real Assets: Infrastructure

AMP Capital also manages funds which invest in infrastructure assets across healthcare, education, justice, defence, community housing, transport, energy, telecommunication, water and recreational facilities. Our [Infrastructure ESG Policy Guidelines](#) details our infrastructure ESG approach.

In 2020, the AMP Capital Community Infrastructure Fund (CommIF) invested in the Hopkins Correctional Centre, acquiring the entire equity interest under a Public-Private Partnership between Aegis Correctional Partnership and the Victorian State Government. CommIF also acquired an additional 3% stake in the Victorian Desalination Project, taking AMP Capital's share of this project to 20.4%.

AMP Capital recognised the unprecedented significance of COVID-19 impacts upon the management and operation teams of our infrastructure assets and the immediate focus required on key social and governance matters. In these extraordinary circumstances, we did not require underlying assets to report under the 2020 GRESB Infrastructure Assessments. Plans are underway for GRESB Infrastructure 2021 participation.

Despite COVID-19, several infrastructure asset companies continued to participate in the 2020 GRESB Infrastructure Assessment process and select highlights are shown in table below.

Infrastructure asset companies	2020 Score	2019 Score	Ranking
ITS ConGlobal	100/100	91/100	1st out of 406 assets
Reliance Rail	94/100	61/100	12th out of 406 assets

AMP Capital Public Markets: Ethical Leaders funds

AMP Capital's ethical investment funds – the Ethical Leaders range of funds – continued to evolve in 2020 with a further tightening of the ethical screens. In addition to other screens already in place, all Ethical Leaders funds now aim to exclude companies that derive:

- Any revenue from the production or exploration of coal, oil or gas.
- Any revenue from fossil fuel power generation.
- More than 10% of revenue from fossil fuel-related distribution and services.

The move towards being fossil fuel free is the result of extensive research and consultation with clients on how the funds can best support action on climate change on investors' behalf and manage the associated physical and transition risks this presents.

The Ethical Leaders funds have a clear mission, to invest for the long term while making the world a better place. The funds continue to support the transition to a low-carbon economy by continuing to invest in renewable energy power generation and green bonds. This latest move further enhances the funds' end-to-end ethical investing approach.





6. Responsible investment

Responsible Investment options on platforms

AMP clients also have access to a range of responsible investment options through our wrap platforms via external fund managers. We are taking steps to ensure advisers are equipped to support clients to identify appropriate value-aligned investments, while also considering their risk and return appetites. Through our flagship platform, North, clients have access to over 16 responsible or sustainable investment options.

AMP New Zealand

AMP New Zealand wealth management has a Responsible Investment Policy and a dedicated responsible investment option for KiwiSaver scheme clients in the AMP Ethical Balanced Fund. Through this fund, we actively seek and work with companies who are making a positive impact in the environmental, social and governance (ESG) space.

In 2021, investment structure changes to AMP New Zealand managed fund options will allow further consideration of sustainability factors in our investment decisions, beyond the government-mandated exclusion of fossil fuels from our KiwiSaver scheme.

Future outlook

AMP will continue to meet the increasing demand for environmentally and socially positive investment opportunities by:

- Continuing to refine and improve ESG assessments to enhance our long-term decision making.
- Monitoring ESG integration across AMP to improve measurement and reporting on the environmental and social impacts of our investments.
- Providing further investment opportunities for our clients and partners in funds and assets with improved ESG credentials.
- Providing clients further choice of responsible and sustainable investment options through our platforms and adviser channels.
- Managing our AMP KiwiSaver and investment product suite with a key focus on sustainable investing and addressing climate change.

Case Study

MyNorth sustainable managed portfolio

In 2020, AMP launched a new sustainable managed portfolio through our flagship wrap platform MyNorth. The portfolio's investment operations are selected based on three principles:

1. Transitioning to a low-carbon economy – a measured but meaningful approach to structural change;
2. Avoiding strategic investments in thermal coal, tobacco, gambling, pornography and controversial weapons – avoiding harm; and
3. Encouraging sustainable social and environment outcomes for the community – driving positive change through capital.

We collaborated with Regnan, an ESG research, engagement and advisory firm, to devise the sustainable principles that underpin the portfolio. Each of the investment options were hand-picked because they align to the portfolio's principles and deliver financial value.



7. Climate change

Climate change is a defining global economic and environmental challenge that is impacting our business and society.

Climate change poses a range of physical, financial and legal risks to our business, the investments we manage on behalf of our clients and the wider community.

We are focused on managing the investment risks and opportunities for our clients and reducing our own operational and supply chain impacts. We have long been committed to action on climate change across our global office operations and have been carbon neutral since 2013.



In 2020

In 2020, we conducted a group-wide review of our climate-related capabilities against the Taskforce for Climate-related Financial Disclosures (TCFD) framework. Our review found that while some of our activities are market-leading, we have more work to do to meet the full recommendations of the TCFD. We have developed a roadmap to meet these recommendations, building on our existing disclosures. We will be publishing our climate position and action plan in 2021.

AMP was also an early signatory to the Carbon Disclosure Project (CDP) in 2011 and has been responding to this global benchmark since 2013. In 2020, we maintained an A– leadership rating and our full submission is made publicly available, which is aligned to the TCFD framework.

Our asset management business, AMP Capital, was also recognised as a leader among the UN-backed Principles for Responsible Investment (PRI) signatories for our responsible investor work in climate reporting.

Environmental and climate-related governance

Overall responsibility for AMP's climate change related strategies sits with the CEO of AMP, who reports to the AMP Limited Board. The board oversees climate-related risks and opportunities.

There are also other Trustee and Responsible Entity boards that oversee climate-related risks and opportunities for the funds for which they are responsible. These are outlined in the [Sustainability governance](#) section of this report.

In addition, AMP has management committees which address climate-related issues, including:

- The Group Risk and Compliance Committee (GRCC), which guides the implementation of the risk management framework and manages non-financial risks facing AMP. Climate change has been identified as a key emerging risk through the AMP Enterprise Risk Management Framework and is reported on periodically to the committee.
- The Environment and Climate Change Working Group (CCWG), which was established in 2020 to combine two previous management committees (the Environmental Leadership Team and Legislative Compliance Committee) to more effectively drive climate-related initiatives and compliance activities across AMP. It consists of members from each business division and asset class and reports to the GRCC.
- The AMP Capital Investment Committee, which has oversight accountabilities for considering the potential investment risks on behalf of AMP Capital clients. This committee consists of the leaders from each asset class (public markets, infrastructure and real estate). Responsibility for the consideration of climate-related risks on specific investments rests with the individual investment teams, asset managers or portfolio managers.

Climate change disclosure	2020	2019	2018
CDP score	A–	A–	A–



7. Climate change

Strategy and risk management

As a financial services company, emissions associated with our operations are relatively small. AMP Bank provides transactional banking services, residential mortgages and some adviser practice financing. It is not directly exposed to potentially high-risk industries such as energy generation, mining or agriculture as it does not provide business financing.

While we still manage the climate change risks in these activities, climate change is most likely to materially impact our investment management activities. Through the investments we offer through AMP Australia and New Zealand (as an asset owner) and AMP Capital (as an asset manager), we are taking steps to offer clients choice and manage risk.

These activities are managed primarily through AMP Capital ESG frameworks, as AMP Capital is the appointed asset manager for the majority of

the group's funds. AMP also offers investments managed by external managers and options on our investment platforms, such as North.

Our investment-related strategies include:

- Providing low carbon and green investment opportunities to clients.
- Managing and disclosing physical and transition risks.
- Leveraging our influence as a global investor.

Providing clients low-carbon and green investment opportunities

AMP offers clients specific investment options through superannuation and personal investment services that adhere to strict ESG requirements and governance. Financial advisers are equipped to help clients understand where money is invested and how to access responsible investment options aligned to their goals and values.

AMP offers funds through AMP Capital and on platforms that have explicit exclusions of some carbon emissions intensive industries and favour better performing ESG companies in their equity and fixed income asset classes. They also target investments in clean energy technologies, sustainable forests and direct investment in energy efficient buildings. This provides clients the opportunity to avoid greenhouse gas emissions as part of their superannuation and/or investments when compared to more traditional funds.

AMP Capital Real Estate funds

AMP Capital has committed all of our managed Real Estate funds to be zero net carbon by 2030 for scope 1 and 2 emissions (which includes natural gas, diesel and electricity consumption) and for buildings to run on 100% renewable electricity.

Climate change considerations have been integrated into asset due diligence processes, including climate risk, energy efficiency, operating costs and suitability for solar photovoltaics. Real Estate fund carbon footprints are measured and benchmarked as part of annual GRESB submissions and regulatory submissions through the National Greenhouse and Energy Reporting Act (NGER).

Infrastructure funds

AMP Capital is pursuing climate-positive investments internationally for clients where regulatory and other incentives are providing new opportunities across equity and debt investment strategies.

Several infrastructure transactions have been completed in clean energy and transport sectors, including direct investments in wind, hydro and offshore transmission assets. For example, AMP Capital completed a US\$145 million mezzanine debt investment in one of Taiwan's leading offshore wind farm developers, Swancor Renewable Energy. The investment will support the construction of a new 376 MW offshore wind farm.



Managed Real Estate portfolios ¹	2020	2019	2018
Scope 1 emissions (tCO ₂ -e)	6,783	6,748	8,117
Scope 2 emissions (tCO ₂ -e)	78,683	93,094	102,491
Total scope 1 and 2 emissions (tCO ₂ -e)	85,466	99,842	110,608

1 Managed Real Estate portfolios include commercial office and shopping centre assets managed by AMP Capital Real Estate. Footprint metrics are NGER reported emissions in Australia for year ending 30 June 2020.



7. Climate change

Managing and disclosing climate-related risks

Transition Risks

In AMP Capital, we have previously undertaken preliminary scenario analyses on our managed equity portfolios using a projected carbon price. Implementation of a carbon price is considered among the most likely policy responses to be used by governments to incentivise emissions reductions and can be applied to equity and fixed interest portfolios. Different carbon prices have been used to assess potential impacts including \$25/tonne CO₂-e, \$50/tonne CO₂-e and \$100/tonne CO₂-e. Preliminary assessments have also been undertaken of value at risk from a gradual phasing out of fossil fuels for major equity benchmarks. Further information is available on the AMP Capital website.

In New Zealand, we are committed to meeting the New Zealand government's plan to divest default KiwiSaver funds from fossil fuels. We are also committed to meeting mandated TCFD reporting in the international jurisdictions in which we operate.

Physical risks

AMP Capital has also conducted physical climate risk assessments of major real estate assets in Australia. The methodology included considering the Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathways (RCPs) and the anticipated change in acute and chronic climate parameters, including sea level rise and risk of fire, flood and storms. These scenarios have been considered to 2050 and 2100. We assess over this timeframe as it relates directly to the long-term asset life of commercial and shopping centre assets. The scenarios will be used to inform asset resilience plans.

In 2020, AMP Bank built improved bushfire risk assessment capabilities for our mortgage book and will strengthen assessment of building flood and coastal inundation risk parameters in 2021.

Engagement

Through AMP Capital, we also engage with assets, companies and policymakers on climate change through a range of investor collaborations and initiatives. This includes as co-founder of the Investor Group on Climate Change (IGCC), an early investor signatory to the CDP, and through actively participating in the global Climate Action 100+ investor engagement initiative. AMP Capital also regularly publishes investment research on ESG themes.

Case Study

Joint venture to boost electric transportation in the Americas

In 2020, AMP Capital announced a joint venture with Enel X for the development of electric public transportation infrastructure, investing in the development and leasing of electric vehicles for ground mass transport and vehicle storage, charging and repair operations.

AMP Capital holds an 80% controlling interest and the joint venture currently owns a fleet of 433 operating electric buses and charging infrastructure in Santiago de Chile.

The e-mobility partnership with Enel X, a market leader in the clean energy transition, represents a compelling socially and environmentally responsible investment. Vehicle electrification is critical to reducing air pollution caused by emissions and to meeting decarbonisation goals.





7. Climate change

Case Study

AMP Capital co-leads engagement with BHP through Climate Action 100+

In 2020, investors, co-led by AMP Capital and HSBC Global Asset Management, welcomed new BHP industry association and climate policy standards. They detail national emission reduction targets, policies to support the transition to net zero and principles to ensure lobbying is balanced, fact-based and technology neutral.

This multi-stakeholder collaboration demonstrates the importance of actively using our influence as a global investor to drive change on behalf of clients and the community.

Managing our own operations

AMP has been carbon neutral since 2013 across our global office operations, offsetting emissions rising from office buildings and scope 3 emissions from business activities including air travel.

In 2020, AMP maintained its carbon neutral position. We have also set a new scope 1 and 2 reduction target of 42% by 2030 from our 2019 base year, which includes 100% renewable electricity. More information on our performance can be found in [Operational impacts and supply chain](#).

Case Study

Carbon footprint of managed funds

Understanding the carbon footprint of a company is an essential first step in assessing the investment risks that can arise from climate change. We have been assessing the climate risks of our investments for over a decade and in 2016 created a methodology for calculating the greenhouse gas exposure of our equity investments. This was then expanded to include fixed income.

In 2020, AMP Capital published [its latest carbon footprints](#) of all managed public market funds relative to their benchmarks to help increase investor and client understanding of climate exposure.

Future outlook

AMP continues to build on its progress in managing and addressing climate change, through:

- Providing clients low-carbon and green investment opportunities.
- Managing and enhancing the disclosure of physical and transition risks in our investments.
- Leveraging our influence as a global investor to engage with companies, assets and investor groups and advocate for an orderly transition.
- Reducing our own operational impacts as a business.





8. Operational impacts and supply chain

Every aspect of AMP's operations and supply chains needs to meet community and legal standards. We have strategies and processes in place that ensure we are operating efficiently and sourcing responsibly to create value for our clients, our people and the community.

In 2020

In 2020, COVID-19 disruptions to the way we work (also outlined in [Human capital management](#)) led to significant energy, waste and paper reductions across our office operations. While some of these impacts have been displaced to other locations, we continue to track and monitor our direct and indirect environmental impacts.

AMP also worked closely with service providers and partners to maintain critical services globally and continue to deliver for clients. This included mobilising and enabling remote working with offshore partners in India to maintain services levels and people's safety. This has also maintained employment in communities during disruptive times.

Reducing our operational impact

AMP is reducing its environmental impacts through our own business operations by improving energy and resource efficiency.

AMP recognises the need to manage the direct impacts of our own operations and the indirect impacts of purchased goods and services.

AMP has been carbon neutral since 2013 and continues to maintain this commitment across our operations, including scope 3 emissions such as air travel, outsourced IT and business services.

In 2020, we set new scope 1 and 2 emissions targets, guided by the [Science Based Targets \(SBT\)](#) initiative. We have committed to a 42.1% reduction in scope 1 and 2 emissions by 2030, from our 2019 base year. We have updated our base year to 2019 to account for the sale of AMP Life, which represents a structural change to our emissions inventory.

We continued to make progress on minimising our impact and saw an 18% reduction in

operational scope 1 and 2 emissions (mainly office electricity usage) from our 2019 base year. Our operational carbon-reduction strategy is underpinned by the rollout of activity-based working arrangements to AMP offices nationally. However, we saw significant reductions across our operations due to disruptions from COVID-19. This included an 88% reduction in emissions associated with air travel.

AMP Wealth Management New Zealand seeks carbon neutral certification through the Toitu Envirocare program. More information on emissions can be found in our [Performance data summary](#).

Carbon footprint ¹	2020	2019 (baseline year)
Scope 1 + 2 emissions (tCO ₂ -e)	6,401	7,760
Scope 3 emissions (tCO ₂ -e)	9,034	14,227
Gross scope 1 + 2 + 3 emissions (tCO ₂ -e)	15,435	21,987
Scope 1 + 2 emissions per employee (tCO ₂ -e/FTE)	1.08	1.07

1 More details are provided in the [Performance data summary](#), reported in line with [AMP's Greenhouse Gas Reporting Criteria](#).

Working from home emissions

Our rapid transition to remote working has resulted in many of our business activities being displaced from our offices. In order to capture this, we have reported an estimate for emissions arising from our workforce working remotely.

We've calculated the carbon footprint of these employees using a proxy developed by the New Zealand Government that considers typical uses of emissions sources for an employee who is working from home. In 2020, we added 1,038 tonnes of CO₂-e to our scope 3 inventory in consideration of this major shift.

Carbon offsets

We offset our residual emissions with high quality international carbon offsets.

In 2020, AMP retired Verified Carbon Standard offsets from projects such as:

- Sinner Wind Power Project in India: a 29.4 MW wind power plant comprising 14 wind turbine generators.
- Upgrade of Gunung Salak Geothermal Plant in Indonesia: an additional installed capacity of 15 MW.

AMP Wealth Management New Zealand offset carbon emissions through the support of New Zealand based projects, including the restoration of native forests at Puhi Peaks Station in Wellington and Wanganui.



8. Operational impacts and supply chain

Supply chain profile	2020	2019
AMP total external payments ¹	\$1.31b	\$1.27b
Suppliers by type		
IT infrastructure and services	28%	23%
Professional services	24%	28%
Investment and banking services	19%	16%
Human resources	13%	15%
Other	16%	17%

¹ Represents total external payments. Excludes corporate credit card and AMP Capital fund activities.

Supply chain profile	2020	2019
AMP Capital asset operations ¹	\$104m	\$97m
Cleaning	36%	44%
Security	15%	19%
Other (including mechanical services, landscaping, lift maintenance)	49%	37%

¹ These figures do not include development or capital works projects.

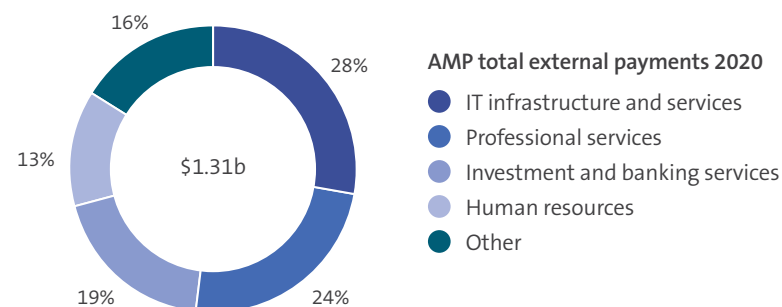
Supply chain profile

In 2020, AMP spent approximately \$1.31 billion on external goods and services. About 28% of this spend is on IT infrastructure and services, 24% on professional services, which includes legal and consulting services, and 19% on investment and banking services. The remaining is a combination of human resources, property, travel, utilities and compliance-related spend. As a predominantly services-based business, our spend is highly concentrated, with the top 126 suppliers representing approximately 80% of total spend.

Through our aligned advice network, AMP supports 1,573 advisers in Australia. Larger and network-wide outsourcing activities are managed centrally, however individual practices

are responsible for office-related procurement activities. Advisers who wish to engage offshore services are expected to submit evidence of due diligence to AMP.

AMP Capital's real estate business separately administers procurement and supply chain activities in its managed assets, including commercial, logistics and shopping centres. The managed and engineering services represent operating expenses of approximately \$104 million per year with over 700 suppliers, based in Australia and New Zealand. About 36% and 15% are with cleaning and security services respectively, while the remaining spend is with a range of building services and related maintenance contractors.





8. Operational impacts and supply chain

Case Study

Modern Slavery

2020 was AMP's first reporting period under Australia's Modern Slavery Act. Since 2018, AMP has introduced a range of measures to address modern slavery risks across our business operations, including policies, contract clauses, due diligence and training for employees.

Our first group-wide [Modern Slavery Statement](#) details the actions we have taken and is published alongside our 2020 annual reporting suite. It demonstrates our commitment to conducting our business ethically and taking a multi-stakeholder approach to combat this global crime that persists today.



Managing our supply chain

AMP is required by APRA to maintain a group-wide Outsourcing Policy, which is approved by the AMP Limited Board. This policy is designed to ensure that risks arising from all outsourcing arrangements are appropriately managed so that we meet our financial and service obligations to regulators, clients and other stakeholders.

In Australia, our group procurement team assesses AMP's major suppliers to manage service delivery and risks. The assessments include reviewing suppliers based on materiality, including commercial and regulatory impact. We apply appropriate governance over these arrangements to ensure we adequately manage service delivery and risks.

Within these governed relationships, we have various controls in place, such as contractual obligations, due diligence questionnaires and self-assessments, that consider risks and opportunities in our supply chain to ensure commitment to:

- Acting ethically and with integrity in our business relationships.
- Providing respectful and safe workplaces, free from discrimination.
- Observing International Labour Organisation principles and taking steps to address modern slavery in our supply chains.
- Maintaining privacy and information security.
- Considering and monitoring the environmental impact of goods and services used by AMP.

In 2020, we continued to maintain and update our Supplier Management Framework and introduced:

- A refreshed [Supplier Code of Practice](#) to better communicate our policies and expectations.
- Updates to our contract management system to integrate risk assessment processes, document management and obligation management.
- Updates to controls and processes to address modern slavery risks and information security for data held by third parties.

Future outlook

- Reduce our scope 1 and 2 emissions (mainly electricity use in our office buildings) by 42% by 2030 and be powered by 100% renewable electricity.
- Remain carbon neutral in our operations and select material scope 3 emissions from our supply chain (such as travel and outsourced emissions).
- Continue to embed the principles of our Supplier Code of Practice into our supplier relationships.
- Continue to collaborate with industry to develop responses to complex issues such as human rights and information security.



9. Community investment

Since 1992, the AMP Foundation has distributed more than \$105 million to charities and individuals working to bring about positive change in our community.

The philanthropic arm of AMP supports charities that help Australians build financial security and better futures. It also helps AMP employees and financial advisers to give back through pro bono work, skilled volunteering, mentoring and fundraising.

In 2020

In 2020, the AMP Foundation moved its strategic focus towards financial wellbeing while transitioning from a range of long-term partnerships with charities that work to create employment opportunities for disadvantaged Australians.

Having started the year facilitating employee giving to communities impacted by the devastating bushfire season, the Foundation responded to challenges presented by the COVID-19 pandemic through a \$2 million grants program to help small charities that do not receive much government funding to build their capacity and enable them to serve the community during the pandemic.

AMP supports the community through the AMP Foundation – one of Australia's largest independently funded corporate foundations.

For the seventh year, our Foundation issued \$1 million in AMP Tomorrow Fund grants to help Australians from diverse walks of life make a positive impact in our community.

Our AMP Capital real estate teams continued to take a grassroots approach to supporting the communities in which they operate.

Community partners

As part of its transition to a community strategy that focuses on enhancing the financial wellbeing of Australians, AMP partnered with financial inclusion specialist Good Shepherd to provide additional support to clients experiencing hardship. Supported by the AMP Foundation and complementing AMP's existing financial hardship measures, the program includes specialist financial

wellbeing experts and social workers who help clients in financial hardship due to factors such as family violence, economic abuse, mental health issues or gambling addiction.

In 2020, AMP-aligned financial advisers continued to provide free advice to people affected by cancer through the AMP Foundation funded Cancer Council Pro Bono Program. Established 10 years ago, this program provides free guidance on issues such as accessing Centrelink benefits, applying for early access to superannuation and insurance benefits, budgeting and estate planning. This national program, which in 2020 included advisers from 331 AMP-aligned advice practices, provided 538 people affected by cancer with free financial advice during the year.

Case Study

Impact investing

The AMP Foundation was an early adopter of impact investing. It invested in the first two Australian social impact bonds and was the only institutional investor in GoodStart Early Learning – a non-profit that provides childcare across Australia. Over the years it has also provided funding to Social Ventures Australia to build its impact investment arm.

Guided by impact investment manager Australian Impact Investments, the Foundation is committed to investing up to 10% of its corpus in impact investing initiatives. In 2020, the AMP Foundation held investments in the Newpin Social Benefit Bond, the Social Ventures Australia Diversified Impact Fund, the Australian Unity Specialist Disability Accommodation Impact Fund and the Synergis Fund.

AMP's Tomorrow Fund

Through AMP's Tomorrow Fund, each year we provide \$1 million in grants to talented hard-working Australians whose ideas and initiatives benefit Australia.

In 2020, the program awarded grants to 40 Australians and the winners included social entrepreneurs, musicians, medical researchers, athletes, educators, artists, scientists and more.





9. Community investment

Bushfire relief

In early 2020, AMP employees and the AMP Foundation donated more than \$250,000 to the Red Cross Disaster Relief and Recovery Fund, and raised funds for WIRES and Wildlife Victoria. The AMP Foundation also provided financial assistance to impacted rural fire brigades where our employees and advisers volunteer.

AMP also offered support through a disaster relief package for clients impacted by the Australian bushfires, which included waiving certain bank fees and postponing home loan repayments or extending the term of a loan. In addition, AMP partnered with its advisers to provide free financial advice to Australians who suffered a major financial or personal loss from the bushfires.

Our COVID-19 response

In 2020, the AMP Foundation tailored its support for the non-profit sector in acknowledgment of the strain it was under. We awarded \$2 million in grants to help 23 charities deal with the impacts of COVID-19 – both on their organisations and the clients they serve. Grants of up to \$200,000 funded salaries, equipment, training and technology to help these charities build capacity and meet community need in challenging times.

AMP's people continued to demonstrate their community spirit through fundraising and volunteering, despite the pandemic disrupting many events and campaigns. Meanwhile, AMP Capital maximised the use of some of its assets for increased community benefit during the pandemic.

Employee volunteering program

The AMP Foundation supports employees to donate their time and resources to a range of charities. Our employees have a deep commitment to helping the community, and engage in volunteering, mentoring and fundraising.

In 2020, we focused on the following activities:

- **Fundraising and payroll giving:** With the AMP Foundation's dollar-matching support, AMP employees raised \$1,359,688 through our fundraising and payroll giving programs.

- **Mentoring:** Our people mentored disadvantaged primary school students to increase their numeracy skills through education charity Ardoch. Marginalised women running micro businesses with the support of Global Sisters were also supported through mentoring and skilled volunteering. AMP employees also shared their skills and knowledge with AMP Tomorrow Fund recipients who head up small non-profits.
- **Volunteering:** While face-to-face volunteering was restricted in 2020, AMP's people continued to share their time and talents. This included volunteering with food security organisations such as Foodbank and Our Big Kitchen. During the year, AMP employees contributed 17,469 hours to support our community through the above AMP Foundation programs.
- **Unsung Heroes:** The AMP Foundation recognises the community contributions of AMP employees who serve on a non-profit board or who volunteer more than 80 hours of their own time by making a donation to that charity. In 2020, 46 employees were recognised as Unsung Heroes for their volunteer work during the previous year.

Case Study

COVID-19 grants

Among the 23 charities sharing in \$2 million in AMP Foundation COVID-19 Community Boost grants was Good360 Australia. This Sydney-based charity matches brand-new goods donated by businesses to more than 2,000 non-profits and schools that distribute the goods to people in need.

In 2020, increased demand for non-food goods plus a drop in volunteers put a strain on Good360's warehouse team. The charity used its AMP Foundation grant to increase the team's hours and help remove shipping and handling costs for organisations in need.

"The smallest things can make a huge difference when times are tough," said Founder and Managing Director Alison Covington. "Very often the people in these situations feel forgotten, so receiving essential brand-new goods makes them feel they're not alone and provides hope and dignity."





9. Community investment

Community investment	2020	2019	2018
AMP Foundation direct giving	\$4,651,558	\$4,541,771	\$4,915,615
Other AMP direct giving	\$244,338	\$394,322	\$123,991
Number of financial advice cases delivered via Cancer Council Pro Bono Program	538	623	588
Cancer Council Pro Bono Program service value ¹	\$538,000	\$623,000	\$588,000

¹ Based on \$1,000 per pro bono case.

Employee community contribution	2020	2019	2018
Employee giving and fundraising	\$1,359,688	\$1,490,865	\$1,027,452
Employee volunteering contribution value	\$1,180,896	\$2,846,936	\$2,001,605

Case Study

AMP Capital assets repurposed for community services during COVID-19

In Australia, the 60,000-seat Optus Stadium was used as a crisis centre and hub for Western Australia Police's COVID-19 response effort. In Sydney, the Royal North Shore Hospital quickly converted non-clinical spaces to clinical spaces, including a 40-bed ward at a \$15 million construction cost.

In Ireland, the Convention Centre Dublin was selected as a temporary venue for the Irish Government due to its size, to accommodate all 160 members while maintaining social distancing.

Other AMP community initiatives

AMP Capital shopping centres in Australia and New Zealand coordinated activities for charities active in the local communities – providing fundraising, volunteering and in-kind support. Early in the year, many centres supported fundraising for bushfire-affected communities.

In 2020, AMP New Zealand contributed NZ\$56,000 to key charity partners, including Voices of Hope, Auckland City Mission and Living Wage Aotearoa, which the business supports as a founding member on its Principal Partners Council.

AMP concluded the year by giving a \$100,000 Christmas donation to Mission Australia, funding three programs – Circles of Care, the Mission Australia Centre Kingswood and Charcoal Lane.

Future outlook

In 2021, we will:

- Continue to support our employees and advisers to donate their time, skills and resources to support the community.
- Build AMP Foundation initiatives and partnerships that focus on helping Australians to improve their financial wellbeing.
- Increase our focus on impact investing through the AMP Foundation.



Contents	Introduction	1. Client experience and investment performance	2. Regulatory and legislative environment	3. Digital disruption and security	4. Ethical conduct and governance	5. Human capital management	6. Responsible investment	7. Climate change	8. Operational impacts and supply chain	9. Community investment	Appendix
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Appendix

Independent Limited Assurance Statement to the Management and Directors of AMP Limited



Independent Limited Assurance Statement to the Management and Directors of AMP Limited



Our Conclusion

Based on our limited assurance procedures, hereafter referred to as a 'review', undertaken in accordance with Australian Auditing Standards, nothing came to our attention that caused us to believe that:

1. AMP's 2020 Sustainability Report ('the Report') does not meet the requirements of the Global Reporting Initiative (GRI) Standards' Reporting Principles.
2. The quantitative metrics detailed below in Table 1 and the related qualitative sustainability performance disclosures in the Report are not prepared and presented fairly in accordance with the Criteria.

What our review covered

Ernst & Young ('EY') was engaged by AMP Limited ('AMP') to carry out a review over a selection of qualitative disclosures and quantitative metrics contained in AMP's 2020 Sustainability Report ('the Report') for the year ended 31 December 2020. We have also reviewed whether anything caused us to believe that the Report as a whole does not meet the requirements of the Global Reporting Initiative (GRI) Standards' Reporting Principles.

Subject Matter

Specifically, the subject matter for the review included:

1. AMP's 2020 Sustainability Report as it relates to the GRI Standards Reporting Principles.
2. A selection of quantitative metrics, as outlined in Table 1 below, chosen based on the outcomes of AMP's self-assessment process (see page 10 of the Report for the self-assessment process).
3. A selection of qualitative sustainability performance disclosures relating to the quantitative metrics, outlined in Table 1.

The Subject Matter did not include:

Data sets, statements, information, systems or approaches other than the sustainability performance disclosures articulated in our Subject Matter and specified in Table 1 and neither Management's forward-looking

statements nor any comparisons made against historical data. Our Subject Matter does not include sustainability disclosures relating to AMP's funds, or for activities outside of AMP's self-declared reporting boundaries, as specified in the Criteria below.

Criteria applied by AMP

In preparing the Subject Matter, Management determined the reporting criteria as set out in:

- AMP's self-declared criteria as set out in its 'Greenhouse Gas Reporting Criteria' and 'Sustainability Report Process' documents, inclusive of the reporting boundaries for operational impact emissions, environmental metrics, and sustainability disclosures
- Criteria as established under the *National Carbon Offset Standard for Organisations* (NCOS) for calculating and offsetting carbon emissions relating to AMP's carbon neutrality status
- *National Greenhouse and Energy Reporting Act 2007* for scope 1 and 2 greenhouse gas data
- The Global Reporting Initiative (GRI) Standards' reporting principles for defining report content and quality, being Stakeholder Inclusiveness, Sustainability Context, Materiality, and Completeness, and Accuracy, Balance, Clarity, Comparability, Reliability, and Timeliness.

Key responsibilities

EY's responsibility and independence

Our responsibility is to express a conclusion on the sustainability performance disclosures, based on our review. We are also responsible for maintaining our independence and confirm that we have met the requirements of the *APES 110 Code of Ethics* for Professional Accountants, and that we have the required competencies and experience to conduct this assurance engagement.

AMP's responsibility

AMP's management is responsible for selecting the Criteria, and for preparing and fairly presenting the Subject Matter in accordance with that Criteria and is also responsible for the selection methods used in the Criteria. Further, AMP's management is responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate criteria; maintaining adequate records and making estimates that are reasonable in the circumstances.

Independent Limited Assurance Statement to the Management and Directors of AMP Limited



Our approach to conducting the review

We conducted this review in accordance with the Australian Auditing and Assurance Standards Board's *Australian Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ASAE 3000'), and *Assurance Engagements on Greenhouse Gas Statements* ('ASAE 3410'), as well as the terms of reference for this engagement as agreed with AMP.

Summary of review procedures performed

A review consists of making enquiries, primarily of persons responsible for preparing the sustainability metrics and associated disclosures, and applying analytical and other review procedures.

Our procedures included:

- Gaining an understanding of the basis for calculating and reporting select sustainability disclosures during the reporting period
- Conducting interviews with key personnel at AMP to understand the process for collating evidence, considering against AMP's self-declared criteria
- Determining whether material topics and performance issues relevant to the Subject Matter had been adequately disclosed
- Undertaking analytical review procedures to support the reasonableness of the Subject Matter

- Checking that calculation criteria had been applied in accordance with the methodologies outlined in AMP's self-declared criteria
- Checking emissions factors to consider their consistency with the reporting criteria
- Testing, on a sample basis, underlying source information to consider the completeness and accuracy of the matter being assured
- Confirming that an adequate number of eligible carbon abatement certificates had been purchased and retired to meet the carbon neutrality status
- Reviewing the presentation of the Subject Matter in AMP's 2020 Sustainability Report
- Reviewing the presentation of claims, case studies, and data against the relevant GRI Standards Reporting Principles contained in the Criteria
- Determining whether material topics and performance issues identified during our procedures had been adequately disclosed in the Sustainability Report.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Limited Assurance

Procedures performed in a limited assurance engagement vary in nature and timing, and are less in extent, than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Further, our procedures did not include testing controls or performing procedures relating to checking the aggregation or calculation of data within IT systems.

Use of our Assurance Statement

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of AMP, or for any purpose other than that for which it was prepared.

Our review included web-based information that was available via web links as of the date of this statement. We provide no assurance over changes to the content of this web-based information after the date of this assurance statement.

Ernst & Young
Mathew Nelson
Partner
Melbourne, Australia
9 March 2021

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Independent Limited Assurance Statement to the Management and Directors of AMP Limited



Table 1: Sustainability performance metrics

Performance Data	
Operational Impact and Supply Chain	
1.	Scope 1 greenhouse gas ('GHG') emissions of 355 tonnes of carbon dioxide equivalent (tCO ₂ -e);
2.	Scope 2 GHG emissions of 6,047 tCO ₂ -e;
3.	Scope 3 GHG emissions, as articulated in AMP's self-declared criteria, of 9,034 tCO ₂ -e;
4.	Paper use at AMP corporate offices within Australia, being 17,948 kilograms (kg);
5.	Total waste produced from office operations at AMP headquarters 33 Alfred Street and 699 Collins Street, being 144,466 kg;
6.	AMP's carbon neutrality statement, including the retirement of eligible carbon abatement certificates, for AMP's operations.
Human Capital Management:	
7.	AMP employee engagement index of 67
8.	Male employee turnover of 10.9%
9.	Female employee turnover of 10.9%
10.	Turnover in Australia of 10.7%
11.	New Zealand turnover of 14.7%
12.	International turnover of 4.6%

Performance Data	
Digital Disruption	
13.	Number of data breaches of 5
Client Experience and Investment Performance	
14.	Client NPS of +27
Community Investment	
15.	Employee giving and fundraising of \$1,359,688
Ethical Conduct and Governance	
16.	Employees completing mandatory training, including Code of Conduct of 99%
17.	Advisers completing mandatory ethics training of 86%

Contents	Introduction	1. Client experience and investment performance	2. Regulatory and legislative environment	3. Digital disruption and security	4. Ethical conduct and governance	5. Human capital management	6. Responsible investment	7. Climate change	8. Operational impacts and supply chain	9. Community investment	Appendix
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AMP Limited ABN 49 079 354 519
Unless otherwise specified, all amounts
are in Australian dollars.

