AMP

1H22

INVESTOR REPORT

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Online reports

This Investor Report is available online at **amp.com.au/shares** along with other investor relations information.

Authorised for release by the AMP Limited Board.

AMP Limited
ABN 49 079 354 519

Contents

Important general notes

This Investor Report provides financial information reflecting results after income tax, unless otherwise indicated, for AMP shareholders. Information is provided on an operational basis (rather than a statutory basis) to reflect a management view of the businesses and existing structures. Content is prepared using external market data and internal management information. This Investor Report is not audited.

Profit attributable to shareholders (NPAT statutory) of AMP Limited has been prepared in accordance with Australian Accounting Standards.

Forward looking statements in this Investor Report are based on management's current views and assumptions. The assumptions involve known and unknown risks and uncertainties, many of which are beyond AMP's control and could cause actual results, performance or events to differ materially from those expressed.

These forward looking statements are not guarantees or representations of future performance, and should not be relied upon.

This Investor Report is not an offer document and therefore has not been the subject of a full due diligence process typically used for an offer document. While AMP has sought to ensure that information in this Investor Report is accurate by undertaking a review process, it makes no representation or warranty as to the accuracy or completeness of any information or statement in this Investor Report. In particular, information and statements in this Investor Report do not constitute investment advice or a recommendation on any matter, and should not be relied upon. Past performance is not a reliable indicator of future performance.

AMP also provides statutory reporting prescribed under the *Corporations Act 2001*. Those accounts will be available from AMP's website amp.com.au.

The financials presented in the Investor Report represent the AMP structure of business units as at 1H 22. AMP Capital is reported excluding AMP Investments (formerly known as Multi-Asset Group) which is reflected in Australian Wealth Management from 1 January 2022. Prior periods are restated to reflect this. The discontinued operations of the Infrastructure Debt platform and Global Equities and Fixed Income business, and the held for sale businesses of Real Estate and Domestic Infrastructure Equity business sold to Dexus, and the International Infrastructure Equity business sold to DigitalBridge, subject to conditions precedent, are reported as AMP Capital discontinued businesses outside of NPAT (underlying). The earnings on the residual AMP Capital assets (CLAMP, PCCP and certain sponsor investments) are reported as AMP Capital continuing within NPAT (underlying) to reflect the go forward earnings of the AMP group.

Business overview

Overview of the AMP group

AMP is a leading wealth management and retail banking business in Australia and New Zealand.

The AMP group's business is divided into three areas:
- AMP Bank
- Australian Wealth Management (including Platforms, Master Trust and Advice), and
- New Zealand Wealth Management.

AMP also holds a number of important strategic partnerships at the group and business unit level.

AMP Bank

AMP Bank offers residential mortgages, deposits and transactional banking. The Bank continues to focus on growth through investing in technology to streamline the origination process, improving the experience for both customers and intermediaries.

As at 1H 22, AMP Bank helped around 177,600 clients with their banking needs and provided over 4,900 new home loans.

Australian Wealth Management (AWM)

AWM comprises three business lines providing advice, superannuation, retirement income and managed investments products, with the inclusion of the AMP Investments team supporting investment management and capability:

- **Platforms** includes superannuation, retirement and investment products through which managed funds, managed portfolios, listed securities, term deposits and guarantee investment options can be accessed to build a personalised investment portfolio. The flagship North platform is an online wrap platform which continues to deliver on its commitment of strengthening and broadening investment choice for clients and providing a contemporary platform for advisers to manage their clients' funds.
- **Master Trust** offers a market competitive super and pension solution across individual and corporate super through the largest single retail superannuation product set in Australia (SignatureSuper) with around 800,000 customer accounts. The highly rated SignatureSuper offer consists of three products across super and pension. The open investment menu caters to different risk profiles with exposure to a range of professional managers in order to meet the needs and goals of customers. The Master Trust business delivers high quality member services, with strong administration, contact centre and digital capabilities. It also has a proven pedigree in managing corporate super plans with complex and tailored benefit designs, including defined benefits.
- **Advice** provides professional services to a network of aligned and independent financial advisers (IFAs). These advisers provide financial advice and wealth solutions to their clients, including retirement planning, investments and financing. In addition to supporting a network of professional advisers, the Advice business partners with a number of aligned advice businesses via equity ownership to support the growth and development of these businesses.

As at 1H 22, Australian Wealth Management managed AUM of A$126.3b and made A$1.0b in retirement payments during the period.

New Zealand Wealth Management

New Zealand Wealth Management encompasses wealth management, financial advice and distribution businesses in New Zealand.

It provides clients with a variety of wealth management solutions including KiwiSaver, corporate superannuation, retail investments, a wrap investment management platform and general insurance.

AMP Capital

On 23 April 2021 AMP announced the intention to demerge AMP Capital's Private Markets business, consisting of infrastructure equity, infrastructure debt and real estate.

Public Markets

On 8 July 2021, AMP announced the sale of its Global Equities and Fixed Income business (GEFI), which completed on 28 March 2022. The remaining AMP Capital public markets business, the Multi-Asset Group, which is responsible for asset allocation on behalf of AMP's Master Trust and Platform clients, transitioned to Australian Wealth Management as of 1 January 2022.

Private Markets

On 24 December 2021, AMP announced the simplification of Private Markets with the sale of Infrastructure Debt.

On 27 April 2022 AMP announced the sale of the real estate and domestic infrastructure equity business to Dexus Funds Management Ltd (Dexus) and on 28 April 2022 AMP announced the sale of the international Infrastructure Equity business to DigitalBridge. Subject to the completion of these sales, AMP will no longer pursue a demerger. Instead, the residual investments of AMP Capital (CLAMP, PCCP and certain sponsor investments) will transfer to the AMP group on completion and the AMP Capital business unit will cease to exist.

Strategic partnerships

AMP group and business units hold a number of strategic partnerships including:
- 19.99% of China Life Pension Company (CLPC)
- 14.97% of China Life AMP Asset Management Company Limited (CLAMP), and
- 24.90% in US real estate investment manager, PCCP.

On 28 June 2022, AMP Limited announced the completion of the divestment of its remaining 19.13% equity interest in Resolution Life Australasia (RLA) to Resolution Life Group, for a consideration of A$524m[1].

1 Gross of any dividends received since announced on 3 November 2021.

1H 22 performance summary

Key performance measures

- 1H 22 NPAT (underlying) of A$117m decreased 25% from A$155m in 1H 21. This decrease largely reflects the impact of lower AMP Bank earnings (-45%) relative to 1H 21 reflecting lower net interest margin, as well as 1H 21 benefitting from a one-off credit loss provision release, lower Australian Wealth Management earnings reflecting strategic competitive repricing (-20%) and lower New Zealand Wealth Management earnings (-11%) in a weaker market.
- 1H 22 NPAT (statutory) profit of A$481m was favourably impacted by a ~A$390m gain on the sale of the Infrastructure Debt platform, partly offset by A$52m of separation costs, A$26m of transformation costs, A$22m of remediation and related costs and other one-off items.
- AMP Bank NPAT of A$46m decreased by A$38m (45%) from 1H 21 largely due to net interest income reducing A$28m (14%) from 1H 21, increased loan impairment expense (1H 21 included A$12m release of credit loss provision related to the impact of COVID-19) and an increase in controllable costs.
- AMP Bank's residential mortgage book increased to A$22.4b driven by competitive pricing, consistent service and targeted growth in principal and interest loans across both owner-occupied and investment lending.
- Australian Wealth Management NPAT of A$36m declined 20% from 1H 21 primarily due to hedging volatility in the North guarantee from market volatility and lower revenue predominantly from the impact of strategic competitive repricing in Master Trust and Platforms, mostly offset by lower variable and controllable costs from the sale of the employed advice business and cost reduction initiatives.
- Australian Wealth Management net cash outflows were A$1.9b in 1H 22, compared to net cash outflows of A$3.6b in 1H 21. This was largely attributable to lower outflows across products. 1H 22 net cash outflows also included A$1.0b of regular pension payments to members (1H 21 A$1.0b).
- New Zealand Wealth Management NPAT of A$17m decreased A$2m (1H 21 A$19m) primarily due to the lower equity markets in 1H 22.
- AMP Capital continuing operations NPAT of A$26m was up 63% from A$16m in 1H 21 due to higher contributions from joint venture investments.
- AMP Capital discontinued operations NPAT of A$31m was up 19% from A$26m in 1H 21 benefitting from increased sponsor earnings in 1H 22.
- Investment income in 1H 22 of A$34m reflects a decrease of A$22m on 1H 21, driven by hedging volatility in the North guarantee and the sale of the equity investment in Resolution Life Australasia (no further results included after 1H 21), partly offset by growth in CLPC earnings. In 1H 22 AMP received a cash dividend from CLPC of ~A$14.5m up from ~A$7.2m in 1H 21 as the Chinese pension market continues to experience significant growth and the joint venture increases in scale.
- Underlying return on equity was 5.6% in 1H 22.

Revenue drivers

- Total AUM and administration of A$152.3b[1] in 1H 22 decreased by A$19.6b (-11%) from FY 21 due to negative investment market returns and net cash outflows.
- AMP Bank's total revenue decreased 12% for the period. Net Interest Margin (NIM) decreased 39 bps from 1H 21 to 1.32% due to intense competition resulting in lower asset margins and also a higher proportion of fixed rate loans.
- Australian Wealth Management AUM decreased 11% to A$126.3b in 1H 22 from FY 21. 1H 22 AUM based revenue of A$380m decreased 20% from A$475m in 1H 21 due to pricing changes.
- Platform AUM decreased A$7.2b (10%) in 1H 22 driven by weaker investment market returns, partly offset by positive net cashflows into AMP's flagship North platform. Platform AUM based revenue to AUM of 49 bps in 1H 22 was down 8 bps from 57 bps in 1H 21.
- Master Trust AUM was down A$7.7b (12%) in 1H 22 driven by weaker investment market returns and the impacts of net cash outflows. Master Trust AUM based revenue to AUM of 67 bps in 1H 22 was down 24 bps from 91 bps in 1H 21, driven by pricing changes as part of simplification (23 bps) and volume and mix impacts (1 bp).

Cost drivers

- AMP's controllable costs, excluding AMP Capital discontinued operations, of A$378m were 11% lower than 1H 21 due to cost out benefits partly offset by structural cost increases.
- AMP group cost to income ratio was 68.4% in 1H 22, up from 65.7% in 1H 21 due to lower revenues.
- AMP Bank cost to income ratio was 49.9%, up from 35.3% in 1H 21, due to lower revenues and higher costs. This reflects lower margins driven by competitive pressures and the Bank's continued investment in its digitisation and growth strategy.
- Australian Wealth Management controllable costs decreased by A$48m (16%) from 1H 21 to A$251m.

Capital position

- 1H 22 total eligible capital resources were A$1,455m above regulatory and internal target requirements, up from A$383m at 31 December 2021.
- In line with prior guidance, the Board has resolved not to declare a dividend in 1H 22.
- As a result of a strengthened capital position, AMP will return to shareholders A$1.1b comprising A$350m of capital via an on-market share buyback to commence immediately, with a further A$750m of capital returns planned in FY 23 subject to regulatory and shareholder approval. The A$750m return is expected to comprise a combination of capital return, special dividend or further on-market share buyback.

1 Includes SuperConcepts assets under administration, refer to page 15.

Financial summary

Profit and loss (A$m)	1H 22	1H 21[1]	2H 21[1]	FY 21[1]	% 1H 22/ 1H 21
Revenue					
AUM based revenue	**449**	545	517	1,062	(17.6)
Net interest income	**176**	204	195	399	(13.7)
Other revenue[2]	**82**	73	91	164	12.3
Total revenue	**707**	822	803	1,625	(14.0)
Variable costs					
Investment management expense	**(100)**	(122)	(115)	(237)	18.0
Marketing and distribution	**(10)**	(10)	(12)	(22)	-
Brokerage and commissions	**(40)**	(34)	(37)	(71)	(17.6)
Loan impairment expense	**-**	13	13	26	n/a
Other variable costs[3]	**(40)**	(68)	(70)	(138)	41.2
Total variable costs	**(190)**	(221)	(221)	(442)	14.0
Gross profit	**517**	601	582	1,183	(14.0)
Controllable costs					
Employee costs	**(171)**	(196)	(191)	(387)	12.8
Technology	**(70)**	(66)	(72)	(138)	(6.1)
Regulatory, insurance and professional services	**(37)**	(50)	(51)	(101)	26.0
Project costs	**(60)**	(72)	(70)	(142)	16.7
Property costs	**(21)**	(18)	(24)	(42)	(16.7)
Other operating expenses[4]	**(19)**	(21)	(14)	(35)	9.5
Total controllable costs	**(378)**	(423)	(422)	(845)	10.6
EBIT	**139**	178	160	338	(21.9)
Interest expense[5]	**(24)**	(31)	(35)	(66)	22.6
Investment income[6]	**34**	56	46	102	(39.3)
Tax expense	**(32)**	(48)	(46)	(94)	33.3
NPAT (underlying)	**117**	155	125	280	(24.5)
AMP Bank	**46**	84	69	153	(45.2)
Australian Wealth Management[7]	**36**	45	44	89	(20.0)
New Zealand Wealth Management	**17**	19	20	39	(10.5)
AMP Capital continuing operations[8]	**26**	16	21	37	62.5
Group Office[9]	**(8)**	(9)	(29)	(38)	11.1
NPAT (underlying) by business unit	**117**	155	125	280	(24.5)
Items reported below NPAT[10]	**333**	(35)	(573)	(608)	n/a
AMP Capital discontinued operations[11]	**31**	26	50	76	19.2
NPAT (statutory)	**481**	146	(398)	(252)	229.5

1 Prior periods have been restated to remove AMP Capital discontinued operations.
2 Includes SuperConcepts, Advice and other revenues.
3 Includes payment of commissions, employed planner expenses and other variable selling costs.
4 Includes travel, marketing, printing, administration and other related costs.
5 Includes interest expense on corporate debt.
6 Includes equity accounted share of profits from investments in associates and investment income returns on Group Office investible capital.
7 Includes AMP Investments (formally known as MAG) from 1 January 2022 (prior periods have been restated to reflect this).
8 Includes CLAMP, PCCP, and certain sponsor investments.
9 Includes Group Office costs, investment income and interest expense on corporate debt.
10 Refer to page 22 for details.
11 Includes sold businesses: Infrastructure Debt, Global Equities and Fixed Income; and held for sale businesses of International Infrastructure Equity and Real Estate and Domestic Infrastructure Equity.

Financial summary cont'd

		1H 22	1H 21[1]	2H 21[1]	FY 21[1]
Earnings					
EPS – underlying (cps)[2]		**3.6**	4.5	3.8	8.4
EPS – actual (cps)		**14.7**	4.3	(12.2)	(7.6)
RoE – underlying		**5.6%**	7.4%	6.2%	6.9%
RoE – actual		**23.0%**	6.9%	-19.7%	-6.2%
Dividend[3]					
Dividend per share (cps)		**-**	-	-	-
Franking rate[4]		**-**	-	-	-
Ordinary shares on issue (m)[2,5]		**3,266**	3,266	3,266	3,266
Weighted average number of shares on issue (m)	– basic[2]	**3,266**	3,411	3,266	3,337
	– fully diluted[2]	**3,312**	3,460	3,313	3,384
	– statutory	**3,264**	3,409	3,264	3,335
Share price for the period – closing (A$)	– low	**0.87**	1.07	0.91	0.91
	– high	**1.21**	1.62	1.20	1.62
Market capitalisation – end period (A$m)		**3,135**	3,674	3,299	3,299
Capital and corporate debt					
AMP shareholder equity (A$m)		**4,479**	4,202	3,874	3,874
Corporate debt (excluding AMP Bank debt) (A$m)		**1,431**	2,130	1,431	1,431
Corporate gearing		**20%**	26%	22%	22%
Interest cover – underlying (times)[6]		**6.4**	7.0	8.0	8.0
Interest cover – actual (times)		**2.8**	3.4	-	-
Margins					
AMP Bank net interest margin (over average interest earning assets)		**1.32%**	1.71%	1.53%	1.62%
Australian Wealth Management AUM based revenue to average AUM (bps)		**57**	71	63	67
Platforms AUM based revenue to average AUM (bps)		**49**	57	53	53
Master Trust AUM based revenue to average AUM (bps)		**67**	91	79	85
Cashflows and AUM					
Australian Wealth Management net cashflows (A$m)[7]		**(1,927)**	(3,574)	(3,639)	(7,213)
Platforms net cashflows (A$m)		**464**	(115)	198	83
Master Trust net cashflows (A$m)		**(1,627)**	(2,587)	(2,659)	(5,246)
Australian Wealth Management AUM (A$b)[7,8]		**126.3**	139.7	142.3	142.3
Platforms AUM (A$b)		**63.9**	68.0	71.1	71.1
Master Trust AUM (A$b)		**55.2**	63.2	62.9	62.9
Total AUM and administration (A$b)[9]		**152.3**	169.7	171.9	171.9
Controllable costs (pre-tax) and cost ratios					
Controllable costs – excluding AMP Capital discontinued operations (A$m)		**378**	423	422	845
Controllable costs – AMP Capital discontinued operations (A$m)		**160**	213	227	440
Cost to income ratio – excluding AMP Capital discontinued operations		**68.4%**	65.7%	68.6%	67.1%

1 Prior periods have been restated to remove AMP Capital discontinued operations, unless otherwise stated.
2 Number of shares has not been adjusted to remove treasury shares.
3 No ordinary dividends were declared for the 1H 22, 1H 21 or FY 21 periods.
4 Franking rate is the franking applicable to the dividend for that year.
5 170,493,388 shares were repurchased and subsequently cancelled in 1H 21 as part of the announced on-market share buy-back of up to A$200m.
6 Prior periods have not been restated.
7 Includes Other wealth management.
8 Excludes SuperConcepts assets under administration.
9 Includes Australian Wealth Management and New Zealand Wealth Management AUM and SuperConcepts AUA.

AMP Bank

Profit and loss (A$m)	1H 22	1H 21	2H 21	FY 21	% 1H 22/ 1H 21
Interest income	**340**	342	333	675	(0.6)
Interest expense	**(164)**	(138)	(138)	(276)	(18.8)
Net interest income	**176**	204	195	399	(13.7)
Fee and other income[1]	**8**	5	9	14	60.0
Total revenue	**184**	209	204	413	(12.0)
Variable costs					
Brokerage and commissions	**(35)**	(30)	(32)	(62)	(16.7)
Loan impairment expense	**-**	13	13	26	n/a
Other variable costs	**(19)**	(13)	(19)	(32)	(46.2)
Total variable costs	**(54)**	(30)	(38)	(68)	(80.0)
Gross profit	**130**	179	166	345	(27.4)
Controllable costs					
Employee costs	**(30)**	(29)	(28)	(57)	(3.4)
Technology	**(12)**	(8)	(15)	(23)	(50.0)
Regulatory, insurance and professional services	**(4)**	(3)	(5)	(8)	(33.3)
Project costs	**(13)**	(14)	(14)	(28)	7.1
Property costs	**(2)**	(2)	(2)	(4)	-
Other operating expenses	**(3)**	(3)	(3)	(6)	-
Total controllable costs	**(64)**	(59)	(67)	(126)	(8.5)
EBIT	**66**	120	99	219	(45.0)
Tax expense	**(20)**	(36)	(30)	(66)	44.4
NPAT	**46**	84	69	153	(45.2)

Ratios and other data					
Return on capital	**7.8%**	15.1%	11.8%	13.4%	n/a
Bank total capital resources (A$m)[2]	**1,087**	1,065	1,047	1,047	2.1
Risk weighted assets (A$m)	**9,065**	8,318	8,859	8,859	9.0
Capital Adequacy Ratio	**15.9%**	17.9%	16.2%	16.2%	n/a
Common Equity Tier 1 capital ratio	**10.4%**	11.6%	10.4%	10.4%	n/a
Net interest margin (over average interest earning assets)	**1.32%**	1.71%	1.53%	1.62%	n/a
Residential mortgage growth vs system	**1.15x**	0.85x	1.80x	1.36x	n/a
Channel origination (broker %) – residential	**92%**	90%	90%	90%	n/a
Total loans (A$m)	**22,730**	20,974	22,058	22,058	8.4
Residential mortgages (A$m)	**22,446**	20,619	21,741	21,741	8.9
Practice finance loans to AMP aligned advisers (A$m)	**284**	355	317	317	(20.0)
Mortgages – owner occupied as a proportion of total	**68%**	69%	69%	69%	n/a
Mortgages – interest only as a proportion of total	**14%**	17%	14%	14%	n/a
Mortgages – existing business weighted average loan to value ratio (LVR)	**66%**	67%	67%	67%	n/a
Mortgages – dynamic LVR	**59%**	66%	58%	58%	n/a
Total deposits (A$m)	**19,978**	16,120	17,783	17,783	23.9
Deposit to loan ratio	**88%**	77%	81%	81%	n/a
Mortgages – 30+ days in arrears	**0.70%**	1.14%	0.78%	0.78%	n/a
Mortgages – 90+ days in arrears	**0.39%**	0.72%	0.50%	0.50%	n/a
Mortgage impairment expense to average mortgages	**0.00%**	-0.12%	-0.13%	-0.13%	n/a
Total provisions for impairment losses (A$m)[3]	**29**	42	29	29	(31.0)
Total mortgage provisions to mortgages	**0.13%**	0.20%	0.13%	0.13%	n/a
Cost to income ratio	**49.9%**	35.3%	43.9%	39.4%	n/a

1 Fee and other income mainly comprises mortgage origination, servicing and discharge fees as well as foreign exchange losses and profit on sale of invested assets. 1H 22 includes proceeds from the sale of invested assets.

2 Total capital resources of A$1,087m excludes A$166m of equity reserve accounts which are included in the calculation of total shareholders equity as shown on page 24.

3 Total provisions for impairment losses excludes A$78m relating to Practice Finance Loans (1H 21 A$90m, FY 21 A$87m).

AMP Bank cont'd

AMP Bank funding composition (A$b)	1H 22		FY 21		1H 21	
Total deposits	20.0	73%	17.8	69%	16.1	66%
Securitisation	4.4	16%	4.5	17%	4.6	19%
Wholesale funding[1]	1.5	6%	2.1	8%	2.1	9%
Subordinated debt	0.3	1%	0.3	1%	0.3	1%
Equity and reserves	1.2	4%	1.2	5%	1.3	5%
Total funding	**27.4**	**100%**	**25.9**	**100%**	**24.4**	**100%**

Deposits by source (A$b)	1H 22	FY 21	1H 21	% 1H 22/ 1H 21
Customer deposits				
At call deposits	9.4	8.8	7.5	25.3
Term deposits	4.2	2.9	1.9	121.1
Platforms	4.1	4.0	3.9	5.1
Master Trust	1.9	2.0	2.2	(13.6)
Other	0.4	0.1	0.6	(33.3)
Total deposits	**20.0**	**17.8**	**16.1**	**24.2**

1 Wholesale funding includes A$1,034m of borrowings under AMP Bank's Term Funding Facility provided by the Reserve Bank of Australia (FY 21 A$1,034m).

Net profit after tax

1H 22 NPAT of A$46m decreased by A$38m (45%) from 1H 21 largely due to net interest income reducing A$28m (14%), increased loan impairment expense (1H 21 included A$12m release of credit loss provision related to the impact of COVID-19) and higher controllable costs.

Net interest margin (NIM) was 1.32% in 1H 22, 39 bps lower than 1H 21 driven by mortgage margin compression, increased growth of fixed rate loans and higher liquid assets (due to committed liquidity facility unwind). The total loan book closed A$1,756m (8%) higher than 1H 21. Intense competition, low rates and higher proportion of fixed loans continued to place downward pressure on revenue margins in Q1 22. In Q2 22, NIM recovered slightly due to the increasing rate environment and the Bank will continue to look at ways to optimise deposit and funding costs. AMP Bank will pursue growth above system and strengthen NIM within our return on capital hurdle for FY 22.

AMP Bank's return on capital in 1H 22 was 7.8%, a decrease of 7.3 percentage points from 1H 21, as a result of the lower profit which is largely due to intense competition, low rates and a higher proportion of fixed loans.

Operational developments

In 1H 22, AMP Bank continued its strategic investment in technology with a series of enhancements to further digitise and automate the lending experience with a focus on providing leading tools to simplify and improve the experience for brokers, advisers and customers.

Central to the recent enhancements are the implementation of several digital services including electronic signatures for applications, online verification of identity and the 'Broker-Ordered Valuations' service which further streamlines the home loan origination process to save brokers time and reduce 'time to yes' for customers.

A key strategic development for the Bank is the announcement to offer a direct to customer digital mortgage leveraging FinTech Nano's lending platform. A controlled launch commences in Q3 22 beginning with selected direct-to-bank cohorts, with a broader Australian market release to follow in Q4 22. For some customers, unconditional approvals will be possible within minutes. This supports the Bank's strategy to accelerate growth in the home loan market as a tech-enabled challenger bank.

Other operational highlights include:

- The average formal customer cycle 'time to yes' improved by 7.5 days in 1H 22 to 15.5 days. AMP Bank measures end-to-end customer cycle time as this is the time the customer actually experiences.
- The Auto Credit Decisioning rate at ~60% remained stable in 1H 22 resulting in consistent approvals.
- Launch of electronic signatures for loan applications and the 'Access Seeker' credit report service which provides visibility of customer liabilities upfront.
- Enhancements to My AMP Online in relation to card management.
- Introduction of DocuSign for existing customer forms.
- Strong progress on the digital origination and establishment of deposit products (straight through processing), with more than 73% (70% FY 21) of retail deposit accounts opened digitally.

AMP Bank cont'd

Lending

AMP Bank continues to focus on growth by enhancing its service and price propositions in 1H 22. As a result, the residential loan book grew by A$705m (6.5% annualised growth) from FY 21, achieving 1.15x (June APRA data) system growth in a highly competitive lending environment. In 2H 22, AMP Bank will leverage the strong momentum built in 1H 22. AMP Bank had an average of 62 applications per day in 1H 22, a slight decrease from 67 per day in 1H 21, however, this lifted to 79 applications per day in the month of June 2022.

AMP Bank's proportion of broker originated loans grew by 2% to 92% for 1H 22 (90% at 1H 21). Leveraging Nano's lending platform, the Bank intends to grow its direct channel in the coming years.

Residential mortgage competition, particularly in the owner-occupied principal and interest market remains high. Within this environment, AMP Bank's residential mortgage book increased to A$22.4b driven by competitive pricing and consistent service. Interest only lending represents 14% of the total book, down from 17% at 1H 21, the result of active risk management.

AMP Bank is targeting total residential lending growth above system over the long term, subject to competitive landscape, return on capital hurdles and funding availability.

The practice finance loan portfolio declined from A$317m at FY 21 to A$284m at 1H 22 with loan repayments and discharges exceeding new loans, in line with the reshape of the advice network. This portfolio is expected to continue to decline as new business origination is minimal.

Credit quality, credit loss provisions and loan impairment expenses

The Bank's total credit provisioning remained steady from FY 21 at A$29m in 1H 22.

Mortgages in arrears (30+ days) decreased 0.08 percentage points from FY 21 to 0.70% in 1H 22. Mortgages in arrears (90+ days) decreased 0.11 percentage points to 0.39% in 1H 22 and compares favourably to peers. AMP Bank no longer has any customers on the COVID-19 repayment pause program. AMP Bank continues to work with customers in hardship to return to regular repayments, and to support them through a range of options, depending on their individual circumstance. AMP Bank acted quickly to activate disaster assistance for customers impacted by the NSW floods with support measures for loan and deposit customers including repayment pause, fee waivers and same day transfers via SWIFT payments.

AMP Bank continues to focus on maintaining book quality with 68% of customers being owner-occupied, an average book loan to value ratio (LVR) of 66% and geographical exposure skewed towards New South Wales (46%) and Victoria (22%). The dynamic LVR weighted average for existing mortgage business increased by 1% to 59% in June 2022 reflecting latest property values.

An intragroup indemnity is in place covering credit losses that relate to practice finance loans.

Costs

The Bank's variable costs of A$54m were A$24m (80%) higher than 1H 21 largely due to the release of credit loss provision of A$12m in 1H 21 (as a result of the improved macro-economic outlook since the impact of COVID-19). Brokerage and commissions were A$5m (17%) higher than 1H 21 reflecting strong growth in the loan book. Other variable costs increased by A$6m (46%) due to additional FTE required to support elevated volumes.

AMP Bank's controllable costs of A$64m were A$5m (9%) higher than 1H 21 driven by investment in technology costs which increased by A$4m (50%) in 1H 22 in order to automate, digitise, enhance customer experience, improve operational efficiency and provide capacity for scale. Active cost management and discipline continues to be a focus in 2022.

Funding, liquidity and capital management

The Bank maintains a diversified funding base and conservative liquidity profile. AMP Bank's total debt and equity funding was A$27.4b at 1H 22 (A$25.9b at FY 21).

Total deposits at 1H 22 increased by A$2.2b (12%) from FY 21 with household deposits growing at 4.24x system in 1H 22. Majority of flows were sourced from customer deposits, largely term deposits, driven by higher relative customer rates. AMP Bank's deposit to loan ratio was 88% at 1H 22, compared with 81% at FY 21.

AMP Bank maintains a diversified liquidity portfolio with adequate high-quality liquid assets. As at 1H 22, AMP Bank's Liquidity Coverage Ratio (LCR) was 143% (145% at FY 21) and the Net Stable Funding Ratio was 143% (146% at FY 21). Both remain above internal and regulatory requirements. The transition away from prior recognition of Alternative Liquid Assets (ALAs) recognised within the Reserve Banks Committed Liquidity Facility has resulted in proportionately more Commonwealth and State Government debt securities held within the LCR eligible liquid asset portfolio. Excluding recognition of the Committed Liquidity Facility, the LCR was 123% as at 1H 22.

The total Capital Adequacy Ratio was 15.9% as at 1H 22 (16.2% at FY 21). The Common Equity Tier 1 capital ratio (CET1) for 1H 22 was 10.4% (10.4% at FY 21) and the Tier 1 Capital Ratio was 12.9% (12.9% at FY 21). All ratios remain above internal and regulatory requirements and are well positioned for changes to APRAs revised capital framework which comes into effect from 1 January 2023.

Australian Wealth Management

Profit and loss (A$m)	1H 22	1H 21[1]	2H 21[1]	FY 21[1]	% 1H 22/ 1H 21
AUM based revenue[2]	**380**	475	445	920	(20.0)
Advice revenue	**30**	23	35	58	30.4
Other revenue[3]	**17**	18	17	35	(5.6)
Total revenue	**427**	516	497	1,013	(17.2)
Variable costs					
Investment management expense	**(93)**	(107)	(107)	(214)	13.1
Other variable costs[4]	**(21)**	(52)	(49)	(101)	59.6
Total variable costs	**(114)**	(159)	(156)	(315)	28.3
Gross profit	**313**	357	341	698	(12.3)
Controllable costs					
Employee costs	**(116)**	(135)	(134)	(269)	14.1
Technology	**(45)**	(52)	(45)	(97)	13.5
Regulatory, insurance and professional services	**(25)**	(34)	(34)	(68)	26.5
Project costs	**(43)**	(53)	(51)	(104)	18.9
Property costs	**(15)**	(16)	(16)	(32)	6.3
Other operating expenses	**(7)**	(9)	(7)	(16)	22.2
Total controllable costs	**(251)**	(299)	(287)	(586)	16.1
EBIT	**62**	58	54	112	6.9
Investment income[5]	**(12)**	5	10	15	n/a
Tax expense	**(14)**	(18)	(20)	(38)	22.2
NPAT[5]	**36**	45	44	89	(20.0)
Platforms	**36**	66	57	123	(45.5)
Master Trust	**27**	63	48	111	(57.1)
Advice	**(30)**	(85)	(61)	(146)	64.7
Wealth other	**3**	1	-	1	200.0

Ratios and other data					
AUM (A$b)[6]	**126.3**	139.7	142.3	142.3	(9.6)
Net cashflows (A$b)	**(1.9)**	(3.6)	(3.6)	(7.2)	47.2
Market and other movements (A$b)	**(14.1)**	10.9	6.2	17.1	n/a
Average AUM (A$b)[6,7]	**134.5**	134.8	140.4	137.5	(0.2)
Total AUM and administration (A$b)[8]	**142.1**	156.2	159.8	159.8	(9.0)
AUM based revenue to average AUM (bps)[2,6,7,9]	**57**	71	63	67	n/a
Investment management expense to average AUM (bps)[6,7,9]	**14**	16	15	16	n/a
Controllable costs to average AUM (bps)[6,7,9]	**38**	45	41	43	n/a
EBIT to average AUM (bps)[6,7,9]	**9**	9	8	8	n/a
NPAT to average AUM (bps)[6,7,9]	**5**	7	6	6	n/a
End period tangible capital resources (A$m)[10]	**900**	960	921	921	(6.3)
RoBUE[10]	**7.8%**	11.6%	9.8%	10.0%	n/a
Cost to income ratio	**83.4%**	82.6%	81.8%	82.2%	n/a

1 Prior periods have been restated following the transition of AMP Investments (formerly known as MAG) to Australian Wealth Management.
2 AUM based revenue refers to administration and investment revenue on superannuation, retirement income and investment products.
3 Includes gross SuperConcepts revenues.
4 Includes costs relating to majority owned aligned advice practices, adviser support payments, BOLR and related costs and outsourced administration costs on external platforms. FY 21 includes costs associated with the employed advice business, which was sold in December 2021.
5 Investment income includes North Guarantee hedging program gains/losses and timing impacts previously reflected in market adjustment and investment income on assets supporting the Operational Risk Financial Reserve.
6 Excludes Advice and SuperConcepts AUA.
7 Based on average of monthly average AUM.
8 Includes AUM and SuperConcepts AUA.
9 Ratio based on 181 days in 1H 22 and 1H 21, and 184 days in 2H 21.
10 End period tangible capital resources is total shareholder equity (A$914m) less goodwill and other intangibles (A$14m) as shown on page 24.

Australian Wealth Management cont'd

Net profit after tax

NPAT fell from A$45m in 1H 21 to A$36m in 1H 22 primarily due to hedging volatility in the North guarantee from market volatility and lower revenue predominantly from the impact of strategic competitive repricing in Master Trust and Platforms, partly offset by lower variable and controllable costs from cost reduction initiatives. FY 21 has been restated following the transition of the AMP Investments (formally known as MAG) to Australian Wealth Management.

AUM based revenue

AUM based revenue of A$380m was A$95m lower than 1H 21 driven by:

– pricing changes as part of Master Trust simplification (A$70m)
– pricing changes on Platforms (A$15m)
– volume and mix changes (A$10m).

Advice revenue

Advice revenue of A$30m was A$7m higher than 1H 21 driven by:

– impairments to the carrying value of practice investments in 1H 21 not repeated (A$18m)
– higher investment income and other revenue (A$9m), and
– growth in equity investment portfolio (A$3m), partly offset by the sale of the employed advice business and the divestment of investments in majority owned aligned practices (A$23m).

Other revenue

Other revenue of A$17m was A$1m lower than 1H 21. This primarily consisted of SuperConcepts revenue of A$16m, down A$1m from 1H 21 driven by fund attrition.

Variable costs

– Investment management expenses were A$14m lower than 1H 21 driven by continued mix changes from Master Trust to Platforms.
– Other variable costs fell A$31m to A$21m driven by the sale of the employed advice business and divestment of investments in majority owned aligned practices.

Controllable costs

Controllable costs of A$251m were A$48m lower than 1H 21 driven primarily by:

– A$19m lower employee costs from cost out activity
– A$10m lower project spend from lower investment in Master Trust and Advice with change and reshape programs progressed in prior years, offset by increased spend in Platforms to support growth
– A$10m lower technology, property and other operating costs from cost out activity
– A$9m lower regulatory and professional fees primarily due to reduced regulatory levies and cost out activity.

Investment income

Investment income loss of A$12m in 1H 22 was A$17m lower than A$5m gains in 1H 21, driven by hedging volatility in the North guarantee from market volatility, particularly the rapid movement in interest rates in 1H 22.

Assets under management

Australian Wealth Management AUM of A$126.3b at 1H 22 was A$16.0b lower than FY 21 (11%), driven by A$14.1b from negative investment market returns and A$1.9b of net cash outflows.

Cashflow overview

Australian Wealth Management net cash outflows were A$1.9b in 1H 22, compared to net cash outflows of A$3.6b in 1H 21. The improvement in net cash outflows was largely attributable to lower outflows across both Platforms and Master Trust.

AUM based revenue to AUM

AUM based revenue to AUM of 57 bps was down 14 bps from 1H 21 as expected, driven by pricing changes as part of simplification in Master Trust (11 bps), administration pricing changes in Platforms (2 bps) and volume and mix impacts (1 bp).

Australian Wealth Management cont'd

Key ratios and metrics

1H 22	Platforms	Master Trust	Advice	Wealth other[1]	Total
Profit and loss (A$m)					
Total revenue	166	198	30	33	**427**
Variable costs	(29)	(67)	(9)	(9)	**(114)**
Gross profit	137	131	21	24	**313**
Controllable costs	(73)	(92)	(66)	(20)	**(251)**
EBIT	64	39	(45)	4	**62**
Investment income	(12)	-	-	-	**(12)**
Tax expense	(16)	(12)	15	(1)	**(14)**
NPAT	36	27	(30)	3	**36**
Ratios and other data					
AUM (A$m)	63,943	55,244		7,093	**126,280**
Average AUM (A$m)[2]	67,604	59,388		7,499	**134,491**
Net cashflows (A$m)	464	(1,627)		(764)	**(1,927)**
AUM based revenue to average AUM (bps)[2]	49	67			**57**
Investment management expense to average AUM (bps)[2]	7	22			**14**
Gross profit to average AUM (bps)[2]	41	44			**47**
Controllable costs to average AUM (bps)[2]	22	31			**38**
EBIT to average AUM (bps)[2]	19	13			**9**
NPAT to average AUM (bps)[2]	11	9			**5**
NPAT margin	22%	14%			**8%**
Revenue per practice (A$m)[3]			0.78		

1H 21	Platforms	Master Trust	Advice	Wealth other[1]	Total
Profit and loss (A$m)					
Total revenue	185	277	23	31	**516**
Variable costs	(29)	(77)	(44)	(9)	**(159)**
Gross profit	156	200	(21)	22	**357**
Controllable costs	(67)	(110)	(101)	(21)	**(299)**
EBIT	89	90	(122)	1	**58**
Investment income	5	-	-	-	**5**
Tax expense	(28)	(27)	37	-	**(18)**
NPAT	66	63	(85)	1	**45**
Ratios and other data					
AUM (A$m)	68,007	63,218		8,461	**139,686**
Average AUM (A$m)[2]	65,004	61,506		8,256	**134,766**
Net cashflows (A$m)	(115)	(2,587)		(872)	**(3,574)**
AUM based revenue to average AUM (bps)[2]	57	91			**71**
Investment management expense to average AUM (bps)[2]	8	24			**16**
Gross profit to average AUM (bps)[2]	48	66			**53**
Controllable costs to average AUM (bps)[2]	21	36			**45**
EBIT to average AUM (bps)[2]	28	30			**9**
NPAT to average AUM (bps)[2]	20	21			**7**
NPAT margin	36%	23%			**9%**
Revenue per practice (A$m)[3]			0.68		

1 Includes SuperConcepts and external investment mandate clients managed by AMP Investments following the transfer of MAG to AWM. 1H 21 has been restated to reflect this.

2 Based on average of monthly average AUM.

3 Based on aggregated practice numbers. Practice numbers are aggregated in the case where a single practice may have multiple locations and/or operate under multiple entities.

Australian Wealth Management cont'd

Operational developments by division

Platforms

Platforms NPAT of A$36m was A$30m lower than 1H 21 due to the impact of administration pricing changes in 2021, investment losses driven by hedging volatility in the North guarantee from market volatility and higher controllable costs to support business growth and increased strategic spend.

Platform AUM was down A$7.2b (10%) in 1H 22 driven by weaker investment market returns partly offset by positive net cashflows with continued growth in AMP's flagship North platform offsetting outflows from legacy and external platforms.

Notable improvements for clients on the North platform included:
- Relaunched North brand, reflecting contemporary-focused investment platform for advisers and clients.
- Introduced 84 managed funds and ETFs increasing investment options in multiple asset classes and sectors.
- Launched North client app designed to meet unique adviser and member servicing needs.
- Expanded range of managed portfolios, with AUM surpassing A$5b in 1H 22.
- Doubled partnerships with advice practices to 35 for partnered managed portfolios.
- Rationalised legacy and sub-scale funds to drive simplification and competitiveness of investment menu.

Platform margins were impacted by a number of drivers:
- AUM based revenue to AUM bps for platforms of 49 bps in 1H 22 down 8 bps from 57 bps in 1H 21, driven by repricing in MyNorth, North and Summit (5 bps) and volume and mix impacts (3 bps).

Master Trust

Master Trust NPAT of A$27m was A$36m lower than 1H 21 due to pricing changes as part of simplification partly offset by lower costs driven by cost out activity.

The superannuation business continues to simplify super and improve efficiency and member outcomes. Notable achievements in the period were:
- Commenced the Investment Simplification strategy with the transition of 7,000 members in 13 closed investment options to the simplified menu, with further simplification on target for delivery in FY 22.
- Maintained the highest external product ratings, including a platinum rating from SuperRatings, the highest quality five-apple rating from Chant West for the Corporate Super offer, and a five quality-star rating from The Heron Partnership.
- Seamlessly supported the transition of the AMP Investment business to AWM from AMP Capital, reflecting the new business operating model.
- Recognition of investment in personalised interactions and member application enhancements with a top three finalist nomination by Chant West for Member Services Fund of the Year.
- Expansion of AMP's intra-fund advice offer to members including the launch of a new Transition to Retirement advice service.

Master Trust AUM was down A$7.7b (12%) in 1H 22 driven by weaker investment market returns and the impact of net cash outflows.

AUM based revenue to AUM bps for Master Trust of 67 bps in 1H 22 was down 24 bps from 91 bps in 1H 21, driven by pricing changes as part of simplification (23 bps) and volume and mix impacts (1 bp).

The simplification of the Master Trust product portfolio completed in Q3 21, with product migrations into a contemporary offer driving a step change reduction in administration fees, expected to reduce AUM based revenue to approximately 65 bps in FY 22. Future simplification will focus on investment structures and menus and is expected to lead to further reductions over time in AUM based revenue and investment management expenses. This will continue AMP's journey to build a best-of-breed super business to materially, and sustainably, enhance financial outcomes for members now and in the future.

AMP Investments

During the period AMP delivered a key strategic priority with completion of the transfer of the Multi-Asset Group (MAG) capability to AWM, creating AMP Investments (MAG was formerly part of the AMP Capital investment management business).

The transfer creates an end-to-end super and investment platforms business within AWM.

AMP Investments manages A$77.4b in assets under management as at June 2022, including retirement savings of AMP's superannuation and platform members, and investments on behalf of external institutional and retail clients. This includes AMP's flagship SignatureSuper, MySuper and choice superannuation products, including those offered as part of AMP's workplace superannuation mandates and on the North platform.

Advice

Advice NPAT loss of A$30m was A$55m lower than 1H 21 due to:
- increase in revenue due to impairments to the carrying value of practice investments in 1H 21 not repeated, partly offset by the reduction of revenue from the employed advice sale
- lower controllable costs driven by cost out activity, and
- lower variable costs due to the sale of the employed advice business and divestment of investments in majority owned aligned practices.

The transformation of Advice continued to progress well in 1H 22 with a number of notable developments throughout the period including:
- strong progress on restructuring the equity investment portfolio to limit AMP's equity holdings in advice businesses to a maximum of 49% by the end of FY 22
- launch of the professional services model with the introduction of 'user pays' services in July 2022
- improved relationships with regulators with Advice remediation largely complete and Best Interest Duty assessment performing well
- participation in regulatory reform agenda with the government, regulators and Treasury
- improvements to Advice quality and professionalism with 97% of AMP advisers (and Professional Year advisers) having successfully completed their financial adviser exam at June 2022, higher than industry average.

Australian Wealth Management cont'd

SuperConcepts

- SuperConcepts continues to transform the customer experience with the launch and delivery of an enhanced web-based user interface to software clients in order to grow market share and lift revenue.
- Strong growth on the SMSF software platform (SuperMate), with 2,973 new funds onboarded in 1H 22.
- Improved delivery of FY 21 lodgement program has allowed an early start to FY 22 leading to improved year-on-year momentum.
- Completion of several technology projects delivering improvements to internal operations including processing efficiencies through automation, new customer migration tools and service delivery.

Investment performance

AMP Investments manages the retirement savings of AMP's superannuation and platforms members, and investments on behalf of external institutional and retail clients.

Through the first half of 2022, investment performance was impacted by several factors including rising inflation, increasing interest rates and geopolitical events including the war in Ukraine. The events resulted in significant falls in Australian and international equities (down 12%[1] and 16%[1], respectively) and global bond markets (down 9%[1]).

Diversification in the investment portfolios has helped to offset some of the market declines through exposure to unlisted assets and alternative strategies. AMP Investments' diversification strategy is designed to hold a portfolio of investments that perform differently to each other in periods of volatility and through the investment cycle, helping to spread the risk. An active management approach also helped to reduce the falls across listed markets, with alpha generated across developed international equities and diversified credit.

1 Six month return as at June 2022: S&P/ASX All Ordinaries Accumulation Index AUD; MSCI World ex Australia Net Index AUD; Bloomberg Barclays Global Aggregate Index Hedged AUD.

Australian Wealth Management cont'd

1H 22 cashflows

	Cash inflows[1]			Cash outflows[1]			Net cashflows		
Cashflows by product (A$m)	**1H 22**	**1H 21**	**% 1H/1H**	**1H 22**	**1H 21**	**% 1H/1H**	**1H 22**	**1H 21**	**% 1H/1H**
North[2]	7,321	8,430	(13.2)	(5,981)	(7,060)	15.3	1,340	1,370	(2.2)
Summit, Generations and iAccess[3]	172	185	(7.0)	(582)	(929)	37.4	(410)	(744)	44.9
Other retail investment and platforms[4]	-	8	n/a	(65)	(150)	56.7	(65)	(142)	54.2
External platforms[5]	95	129	(26.4)	(496)	(728)	31.9	(401)	(599)	33.1
Total Platforms	**7,588**	**8,752**	(13.3)	**(7,124)**	**(8,867)**	19.7	**464**	**(115)**	n/a
Retail superannuation	1,413	1,413	-	(2,330)	(3,371)	30.9	(917)	(1,958)	53.2
Corporate superannuation	1,714	1,766	(2.9)	(2,424)	(2,395)	(1.2)	(710)	(629)	(12.9)
Total Master Trust	**3,127**	**3,179**	(1.6)	**(4,754)**	**(5,766)**	17.6	**(1,627)**	**(2,587)**	37.1
Other wealth management[6]	115	159	(27.7)	(879)	(1,031)	14.7	(764)	(872)	12.4
Total Australian Wealth Management	**10,830**	**12,090**	(10.4)	**(12,757)**	**(15,664)**	18.6	**(1,927)**	**(3,574)**	46.1

Australian Wealth Management cash inflow composition (A$m)			
Member contributions	2,307	2,270	1.6
Employer contributions	1,887	1,872	0.8
Total contributions	4,194	4,142	1.3
Transfers, rollovers in and other[7]	6,636	7,948	(16.5)
Total Australian Wealth Management	**10,830**	**12,090**	(10.4)

1 Inflows and outflows include those from internal and external sources. Internal includes transfers across and within products (eg moving from Super to Pension within North).
2 North is a fully functioning wrap platform which includes guaranteed and non-guaranteed options. Includes North and MyNorth platforms.
3 Summit and Generations are owned and developed platforms. iAccess is ipac's badge on Summit.
4 Other retail investment and platforms includes AMP Personalised Portfolio.
5 External platforms comprise Asgard platform products issued by AMP.
6 Includes external investment mandate clients managed by AMP Investments following the transfer of MAG to AWM.
7 Transfers, rollovers in and other includes the transfer of accumulated member balances into AMP from both internal (eg retail superannuation to allocated pension/annuities) and external products.

Cashflow overview

Australian Wealth Management net cash outflows were A$1.9b in 1H 22, compared to net cash outflows of A$3.6b in 1H 21.

The improvement in net cash outflows was largely due to lower outflows across all products.

Pension payments to members of A$1.0b in 1H 22 were in line with 1H 21.

Internal inflows across wealth management products were A$5.0b in 1H 22 (A$6.5b in 1H 21), representing 47% (54% in 1H 21) of total wealth management cash inflows. The decrease is largely due to lower outflows from Master Trust to Platforms and lower internal flows within Platforms following repricing actions in FY 21.

Platforms

Platforms recorded net cashflows of A$464m in 1H 22, up from A$115m of net cash outflows in 1H 21. Pension payments of A$0.8b up from A$0.7b in 1H 21.

North net cashflows of A$1.3b were broadly in line with 1H 21. Externally sourced inflows increased A$0.3b (10%) whilst external outflows decreased A$0.4b (13%). North inflows from independent financial advisers in 1H 22 of A$758m were up 49% on 1H 21.

Net inflows to Platforms from Master Trust were A$0.5b (1H 21 A$1.0b) with the repricing in Master Trust slowing the rate of attrition to Platforms.

AMP Personalised Portfolio saw outflows of A$65m in 1H 22 as clients exited following notice of the intended closure of the product, planned for Q1 22. No AUM remains in the product at 1H 22.

Master Trust

Retail superannuation net cash outflows of A$0.9b in 1H 22 improved by A$1.0b compared to 1H 21 driven by lower outflows to industry and retail competitors and lower internal transfers to Platforms.

Corporate superannuation net cash outflows of A$0.7b in 1H 22 were A$0.1b higher than net outflows of A$0.6b in 1H 21. 1H 22 was impacted by A$0.3b from the loss of corporate mandates (1H 21 included a A$0.1b corporate mandate loss).

While underlying cashflow trends continue to improve, further mandate losses are expected in 2H 22 with approximately A$0.6b in cash outflows. Additionally, the conclusion of AMP's mandate as Woolworths' corporate super provider is expected in 1H 23, with approximately A$4.0b in cash outflows.

Australian Wealth Management cont'd

1H 22 AUM

AUM (A$m)	FY 21 AUM	1H 22 net cashflows: Super-annuation	Pension payments	Other pension	Invest-ment	Total net cashflows	Other move-ments[1]	1H 22 AUM	1H 22 average AUM	1H 22 revenue margin[2]	FY 21 revenue margin[2]
North	61,407	751	(730)	994	325	1,340	(6,704)	56,043	58,805	44	47
Summit, Generations and iAccess	6,519	(139)	(65)	(124)	(82)	(410)	(621)	5,488	6,021	74	80
Other retail investment and platforms	66	-	-	-	(65)	(65)	(1)	-	11	n/a	n/a
External platforms	3,109	(59)	(29)	(82)	(231)	(401)	(296)	2,412	2,767	n/a	n/a
Total Platforms	**71,101**	**553**	**(824)**	**788**	**(53)**	**464**	**(7,622)**	**63,943**	**67,604**	**49**	**53**
Retail superannuation[3]	33,139	(423)	(174)	(320)	-	(917)	(3,260)	28,962	31,274	72	102
Corporate superannuation[4]	29,797	(683)	(14)	(13)	-	(710)	(2,805)	26,282	28,114	61	64
Total Master Trust	**62,936**	**(1,106)**	**(188)**	**(333)**	**-**	**(1,627)**	**(6,065)**	**55,244**	**59,388**	**67**	**85**
Other wealth management[5]	8,286	(247)	-	**(118)**	(399)	(764)	(429)	7,093	7,499	n/a	n/a
Total Australian Wealth Management	**142,323**	**(800)**	**(1,012)**	**337**	**(452)**	**(1,927)**	**(14,116)**	**126,280**	**134,491**	**57**	**67**
Assets under administration – SuperConcepts[6]	17,435						(1,588)	15,847			
Total AUM and administration	**159,758**	**(800)**	**(1,012)**	**337**	**(452)**	**(1,927)**	**(15,704)**	**142,127**			

Australian Wealth Management – AUM by asset class		
Cash and fixed interest	27%	29%
Australian equities	28%	29%
International equities	33%	32%
Property	7%	5%
Other	5%	5%
Total	**100%**	**100%**

1 Other movements include fees, investment returns, distributions, taxes and foreign exchange movements.
2 AUM based revenue margin. North, Summit, Generations and iAccess view excludes the impact of AMP Investments overlays.
3 Retail superannuation includes A$6.7b in MySuper (FY 21 A$7.2b).
4 Corporate superannuation includes A$14.7b in MySuper (FY 21 A$16.3b).
5 Includes external investment mandate clients managed by AMP Investments following the transfer of MAG to AWM.
6 SuperConcepts assets under administration includes AMP SMSF, Multiport, Cavendish, SuperIQ, Moore Stephens Annual, JustSuper, Ascend and SuperConcepts platforms, but does not include Multiport Annual, SuperConcepts Accountants Outsource, SMSF Managers and MORE Superannuation.

AUM overview

Australian Wealth Management AUM of A$126.3b at 1H 22 was A$16.0b lower than FY 21 (11%), driven by A$14.1b from negative investment market returns and A$1.9b of net cash outflows.

Platforms

Platform AUM was down A$7.2b (10%) in 1H 22 driven by weaker investment market returns partly offset by positive net cashflows with continued growth in AMP's flagship North platform offsetting outflows from legacy and external platforms.

North AUM fell A$5.4b to A$56.0b, driven by weaker investment market returns partly offset by net cash inflows of A$1.3b, including A$758m of inflows from independent financial advisers (A$510m at 1H 21).

Master Trust

Master Trust AUM was down A$7.7b (12%) in 1H 22 driven by weaker investment market returns and the impact of net cash outflows, including A$0.2b of regular pension payments and A$0.5b net transfers to Platform.

SuperConcepts

SuperConcepts is Australia's largest combined provider of SMSF software and administration services including wholesale, intermediated, direct, portfolios and small APRA funds.

Total assets under administration in 1H 22 were A$15.8b.

Across administration and software services, SuperConcepts supports 43,876 funds representing 7% of the SMSF market.[1] SuperConcepts currently provides professional administration services to over 15,353 funds and software as a service to a further 28,523 funds.

1 Self-managed Super Fund Quarterly Statistical Report, Australian Taxation Office, March 2022.

New Zealand Wealth Management

Profit and loss (A$m)	1H 22	1H 21	2H 21	FY 21	% 1H 22/ 1H 21
AUM based revenue	**47**	59	57	116	(20.3)
Other revenue	**17**	17	17	34	-
Total revenue	**64**	76	74	150	(15.8)
Variable costs					
Investment management expense	**(7)**	(15)	(8)	(23)	53.3
Marketing and distribution	**(10)**	(10)	(12)	(22)	-
Brokerage and commissions	**(5)**	(4)	(5)	(9)	(25.0)
Other variable costs	**-**	(3)	(2)	(5)	n/a
Total variable costs	**(22)**	(32)	(27)	(59)	31.3
Gross profit	**42**	44	47	91	(4.5)
Controllable costs					
Employee costs	**(8)**	(9)	(11)	(20)	11.1
Technology	**(3)**	(3)	(2)	(5)	-
Regulatory, insurance and professional services	**(2)**	(1)	(3)	(4)	(100.0)
Project costs	**(1)**	-	(1)	(1)	n/a
Property costs	**(1)**	(1)	1	-	-
Other operating expenses	**(3)**	(4)	(2)	(6)	25.0
Total controllable costs	**(18)**	(18)	(18)	(36)	-
EBIT	**24**	26	29	55	(7.7)
Tax expense	**(7)**	(7)	(9)	(16)	-
NPAT[1]	**17**	19	20	39	(10.5)
Wealth management	**10**	12	13	25	(16.7)
Advice	**7**	7	7	14	-

Ratios and other data					
AUM (A$m)	**10,205**	12,580	12,174	12,174	(18.9)
Net cashflows (A$m)	**(127)**	(249)	(758)	(1,007)	49.0
Market and other movements (A$m)	**(1,842)**	431	352	783	n/a
Average AUM (A$m)	**11,153**	12,454	12,765	12,609	(10.4)
AUM based revenue to average AUM (bps)	**85**	96	89	92	n/a
Investment management expense to average AUM (bps)	**13**	24	12	18	n/a
Controllable costs to average AUM (bps)	**33**	29	28	29	n/a
EBIT to average AUM (bps)	**43**	42	45	44	n/a
NPAT to average AUM (bps)	**31**	31	31	31	n/a
End period tangible capital resources (A$m)[2]	**63**	74	47	47	(14.9)
RoBUE	**55.9%**	54.7%	70.8%	69.6%	n/a
Cost to income ratio	**42.9%**	40.9%	38.3%	39.6%	n/a

1 In NZ dollar terms, NPAT in 1H 22 was NZ$19m (1H 21 NZ$21m).

2 End period tangible capital resources is total shareholder equity (A$168m) less goodwill and other intangibles (A$105m) as shown on page 24.

New Zealand Wealth Management cont'd

	KiwiSaver		Other[1]		Total	
Cashflows and movements in AUM (A$m)	**1H 22**	**1H 21**	**1H 22**	**1H 21**	**1H 22**	**1H 21**
AUM at beginning of period	5,778	6,002	6,396	6,396	12,174	12,398
Cash inflows	276	330	153	217	429	547
Cash outflows	(245)	(352)	(311)	(444)	(556)	(796)
Net cashflows	**31**	**(22)**	**(158)**	**(227)**	**(127)**	**(249)**
Other movements in AUM	(890)	211	(952)	220	(1,842)	431
AUM at end of period	**4,919**	**6,191**	**5,286**	**6,389**	**10,205**	**12,580**
Composition of net cashflows by product						
Superannuation	31	(22)	(65)	(87)	(34)	(109)
Investment	-	-	(93)	(140)	(93)	(140)

1 Other New Zealand Wealth Management cashflows and AUM includes non-KiwiSaver wealth management products.

Net profit after tax

1H 22 NPAT decreased A$2m (11%) on 1H 21 primarily due to lower average AUM (-10%) as a result of lower equity markets in 1H 22.

Revenue

AUM based revenue decreased by A$12m (20%) on 1H 21 due to the product repricing in 2H 21 following NZWM's transition to a new index-based investment philosophy (A$6m) and the reduction in average AUM in 1H 22 (A$6m) inclusive of NZWM's conclusion as a KiwiSaver Default provider.

Other revenue of A$17m in 1H 22 is in line with 1H 21.

Variable costs

Total variable costs of A$22m decreased by A$10m (31%) on 1H 21 due to lower average AUM in 1H 22 and the reduction in investment management fees following NZWM's transition to a new investment philosophy in 2H 21.

Controllable costs

1H 22 controllable costs of A$18m were unchanged on 1H 21 primarily reflecting ongoing efforts to offset the inflationary pressure observed across the economy and simplify the operating model following the conclusion of NZWM's term as a KiwiSaver Default provider.

1H 22 cost to income ratio of 42.9% increased 2.0 percentage points on 1H 21 driven by lower revenue.

Cashflows and AUM

1H 22 AUM of A$10.2b decreased A$2.0b (16%) from FY 21. The decrease was predominantly driven by lower equity markets in 1H 22 (A$1.5b), negative foreign exchange movements following the weakening of NZ$ versus A$ (A$0.4b) and net cash outflows (A$0.1b).

Net cash outflows of A$127m in 1H 22 have improved from net cash outflows of A$249m in 1H 21, led by improved KiwiSaver cashflows and the non-recurrence of a corporate mandate loss in 1H 21.

AMP Capital

Profit and loss (A$m)	1H 22	1H 21[1]	2H 21[1]	FY 21[1]	% 1H 22/ 1H 21
AUM based management fees	**150**	211	203	414	(28.9)
Non-AUM based management fees	**51**	44	47	91	15.9
Performance and transaction fees	**10**	8	64	72	25.0
Seed and sponsor[2]	**17**	7	11	18	142.9
Total revenue	**228**	270	325	595	(15.6)
Controllable costs					
Employee costs	**(125)**	(175)	(166)	(341)	28.6
Technology	**(7)**	(8)	(8)	(16)	12.5
Regulatory, insurance and professional services	**(9)**	(12)	(27)	(39)	25.0
Project costs	**(3)**	(6)	(12)	(18)	50.0
Property costs	**(14)**	(13)	(13)	(26)	(7.7)
Other operating expenses	**(3)**	-	(2)	(2)	n/a
Total controllable costs	**(161)**	(214)	(228)	(442)	24.8
EBIT	**67**	56	97	153	19.6
Interest expense	**(1)**	(5)	(4)	(9)	80.0
Investment income	**2**	1	(1)	-	100.0
Tax expense	**(11)**	(10)	(21)	(31)	(10.0)
NPAT	**57**	42	71	113	35.7
Continuing operations[3]	**26**	16	21	37	62.5
Discontinued operations[4]	**31**	26	50	76	19.2

Ratios and other data					
AUM (A$b)	**53.4**	117.6	106.3	106.3	(54.6)
Net cashflows (A$b)	**(6.3)**	(6.0)	(13.9)	(19.9)	(5.0)
Market and other movements (A$b)	**4.4**	0.5	2.7	3.2	n/a
Assets disposed (A$b)	**(51.0)**	-	-	-	n/a
Committed Capital (A$b)	**1.1**	5.2	5.4	5.4	(78.8)
Total AUM and Committed Capital (A$b)	**54.5**	122.8	111.7	111.7	(55.6)
Average AUM (A$b)[5,6]	**80.9**	119.3	111.9	115.6	(32.2)
End period tangible capital resources (A$m)	**868**	702	794	794	23.6
RoBUE	**14.6%**	13.3%	20.3%	16.3%	n/a
Management fees to average AUM (bps)[5,6,7]	**50.1**	43.1	44.3	43.7	n/a
Performance and transaction fees to average AUM (bps)[5,6]	**2.5**	1.4	11.3	6.2	n/a
Controllable costs to average AUM (bps)[5,6]	**40.1**	36.2	40.4	38.2	n/a
EBIT to average AUM (bps)[5,6]	**16.7**	9.5	17.2	13.2	n/a
NPAT to average AUM (bps)[5,6]	**14.2**	7.1	12.6	9.8	n/a
Cost to income ratio	**70.0%**	79.0%	70.4%	74.3%	n/a

1 Prior periods have been restated following the transition of AMP Investments (formerly known as MAG) to Australian Wealth Management.
2 Includes capital movements and yields gross of related interest expenses.
3 Includes CLAMP, PCCP, and certain sponsor investments.
4 Includes sold businesses: Infrastructure Debt, Global Equities and Fixed Income; and held for sale businesses of International Infrastructure Equity and Real Estate and Domestic Infrastructure Equity.
5 Based on average of monthly average AUM.
6 1H 22 average AUM includes A$13.1b relating to joint ventures, including AMP Capital's share of PCCP and CLAMP.
7 Calculated on total of AUM based and non-AUM based management fees.

AMP Capital cont'd

Operational developments

Operational developments during 1H 22 include:

- On 11 February 2022, AMP announced the successful completion of the sale of AMP Capital's infrastructure debt platform to Ares.
- On 28 March 2022, AMP announced the successful completion of the sale of AMP Capital's Global Equities and Fixed Income (GEFI) business to Macquarie Asset Management.
- On 27 April 2022, AMP announced it had entered into an agreement for the sale of the AMP Capital domestic infrastructure equity and real estate business to Dexus Funds Management Ltd (Dexus) for an upfront cash consideration of A$250m and an earnout payable to AMP under the sale terms of up to A$75m. Completion is subject to fulfilment of a range of conditions precedent and is on track for end of September 2022.
- On 28 April 2022, AMP announced it had entered into an agreement for the sale of AMP Capital's international infrastructure equity business to DigitalBridge for an upfront consideration of A$462m and total value of up to A$699m subject to meeting conditions precedent.

Net profit after tax

AMP Capital's 1H 22 NPAT was A$57m, up 36% from A$42m in 1H 21. AUM based earnings fell 29% to A$150m compared to A$211m in 1H 21, driven by the sale of the Infrastructure Debt platform and GEFI business and stabilisation actions leading to margin compression, partly offset by strong returns from joint ventures.

Non-AUM based management fees mainly comprise of infrastructure equity commitment fees and real estate management, development and leasing fees. Non-AUM based management fees were A$51m in 1H 22, up A$7m due to higher real estate development fees.

Performance and transaction fees of A$10m were up A$2m (25%) compared to 1H 21. Performance fees remain subdued as the business transitions to closed end funds.

1H 22 seed and sponsor capital investments were A$430m. These include investments across open and closed end real asset funds.

Seed and sponsor investment returns increased A$10m from 1H 21 due to strong performance in 1H 22 by real estate sponsor investments.

Given market volatility, income from seed and sponsor capital investments vary from period to period.

Controllable costs of A$161m in 1H 22 decreased 25% from 1H 21 following the sale of the Infrastructure Debt platform and GEFI business, partly offset by business stabilisation costs.

AMP Capital's effective tax rate in 1H 22 was 16%, down from 19% in 1H 21 and can vary period on period. The effective tax rate remains lower than the Australian corporate tax rate (30%), largely due to lower tax rates in foreign jurisdictions, available tax concessions and joint venture earnings which are recognised net of tax.

Operational highlights by division

Infrastructure equity – International

The division has continued to successfully deploy capital on behalf of investors during 1H 22 through subsequent equity injections into four portfolio companies within GIF II. Strong client returns have been realised in the period following the divestment of two assets within the renewables and energy and utilities industries.

Infrastructure equity – Domestic

The domestic infrastructure equity business continued to deliver robust returns during 1H 22 despite challenging macro-economic conditions. Aviation and student accommodation sectors continue to recover from Australia's opening borders. Energy, aged care and social infrastructure sector returns remained resilient, and in some cases benefited from the recent interest rate hikes and high inflation environment. Net investor cashflows remained largely stable.

The investment team remains focused on growing the business, assessing opportunities to capitalise on changing market conditions and long-term thematic trends. At the same time, the team continues to actively manage the financial and operational performance of assets under management. One such example in February 2022 was the A$1.8b refinancing of Reliance Rail's senior debt facilities with a Green Sustainability-linked loan, one of the first of its kind in the Asia Pacific market. This refinancing delivered strong investment returns by achieving debt margins well inside of prior forecasts, while also optimising the capital structure to return additional cash to investors.

Real estate

With the opening of international borders and the easing of most COVID-19 restrictions across the country, retail trade has improved on prior year with the business continuing to deliver strong investment performance relative to respective benchmarks and tenant lease occupancy remained high at 96.5%.

AMP Capital continued to capitalise on opportunities in the market for clients. Transaction activity remained high with over A$1.1b of acquisitions/divestments settled in 1H 22 including a further 25% interest in Macquarie Centre acquired by AMP Capital Shopping Centre Fund to move to 50% ownership and a further 20% interest in Pacific Fair acquired by AMP Capital Retail Trust to move to 100% ownership.

In April 2022, Quay Quarter Tower reached practical completion with 95% of the building leased by area.

A separate account mandate of A$2.9b has been terminated and transition will occur in Q3 22. On 15 July 2022, an AMP Capital Wholesale Office (AWOF) unitholder meeting was held to vote on Mirvac to become trustee and manager of the fund. A majority of unitholders voted to change the trustee and manager and as a result, the fund is expected to be transitioned to Mirvac in 2H 22.

AMP Capital cont'd

Key ratios and metrics

1H 22	Discontinued – Sold: GEFI (28 Mar)[1]	Discontinued – Sold: Infra debt (11 Feb)[2]	Discontinued – Held for sale: Infra equity – Intl[3]	Discontinued – Held for sale: Infra equity – Dom[3]	Discontinued – Held for sale: Real estate[3]	Discontinued: Corporate Ops	Continuing: Transfer to AMP[4]	Total
Profit and loss (A$m)								
AUM based management fees	20	6	39	25	37	1	22	**150**
Non-AUM based management fees	-	-	9	3	39	-	-	**51**
Performance and transaction fees	-	-	6	3	-	1	-	**10**
Seed and sponsor	-	1	(1)	-	7	-	10	**17**
Total revenue	20	7	53	31	83	2	32	**228**
Direct costs	(12)	(3)	(13)	(7)	(37)	(88)	(1)	**(161)**
Allocated costs	(6)	(3)	(15)	(13)	(9)	46	-	**-**
Controllable costs	(18)	(6)	(28)	(20)	(46)	(42)	(1)	**(161)**
EBIT	2	1	25	11	37	(40)	31	**67**
Interest expense	-	-	-	-	-	-	(1)	**(1)**
Investment income	-	-	-	-	-	2	-	**2**
Tax expense	-	-	(4)	(2)	(7)	6	(4)	**(11)**
NPAT[5]	2	1	21	9	30	(32)	26	**57**
Ratios and other data								
AUM (A$m)			7,853	10,496	21,910		13,128	**53,387**
Committed Capital (A$m)			1,118	-	-		-	**1,118**
Total AUM and Committed Capital (A$m)			8,971	10,496	21,910		13,128	**54,505**
Average AUM (A$m)[6]			8,232	10,256	21,816		13,078	**80,912**
Management fees to average AUM (bps)			117.6	55.1	70.3		33.9	**50.1**
Performance and transaction fees to average AUM (bps)			14.7	5.9	-		-	**2.5**
Controllable costs to average AUM (bps)			68.6	39.3	42.5		1.5	**40.1**
EBIT to average AUM (bps)			61.2	21.6	34.2		47.8	**16.7**
NPAT to average AUM (bps)			51.4	17.7	27.7		40.1	**14.2**

1H 21	Discontinued – Sold: GEFI (30 Jun)[1]	Discontinued – Sold: Infra debt (30 Jun)[2]	Discontinued – Held for sale: Infra equity – Intl[3]	Discontinued – Held for sale: Infra equity – Dom[3]	Discontinued – Held for sale: Real estate[3]	Discontinued: Corporate Ops	Continuing: Transfer to AMP[4]	Total
Profit and loss (A$m)								
AUM based management fees	55	25	35	31	53	1	11	**211**
Non-AUM based management fees	-	-	9	2	29	1	3	**44**
Performance and transaction fees	-	-	5	1	1	1	-	**8**
Seed and sponsor	(1)	1	-	-	-	-	7	**7**
Total revenue	54	26	49	34	83	3	21	**270**
Direct costs	(31)	(7)	(16)	(8)	(42)	(109)	(1)	**(214)**
Allocated costs	(20)	(19)	(18)	(18)	(5)	80	-	**-**
Controllable costs	(51)	(26)	(34)	(26)	(47)	(29)	(1)	**(214)**
EBIT	3	-	15	8	36	(26)	20	**56**
Interest expense	-	-	-	-	-	(4)	(1)	**(5)**
Investment income	-	-	-	-	-	1	-	**1**
Tax expense	(2)	-	(2)	(1)	(6)	4	(3)	**(10)**
NPAT[5]	1	-	13	7	30	(25)	16	**42**
Ratios and other data								
AUM (A$m)	58,129	6,869	8,866	10,254	21,833		11,624	**117,575**
Committed Capital (A$m)	-	3,537	1,569	117	-		-	**5,223**
Total AUM and Committed Capital (A$m)	58,129	10,406	10,435	10,371	21,833		11,624	**122,798**
Average AUM (A$m)[6]	58,137	7,170	8,333	10,495	23,830		11,374	**119,339**
Management fees to average AUM (bps)	19.1	70.3	106.5	63.4	69.4		24.8	**43.1**
Performance and transaction fees to average AUM (bps)	-	-	12.1	1.9	0.8		-	**1.4**
Controllable costs to average AUM (bps)	17.7	73.1	82.3	50.0	39.8		1.8	**36.2**
EBIT to average AUM (bps)	1.0	-	36.3	15.4	30.5		35.5	**9.5**
NPAT to average AUM (bps)	0.3	-	31.5	13.5	25.4		28.4	**7.1**

1 Includes 1H 22 GEFI aligned revenue and costs to 25th March 2022.
2 Includes 1H 22 Infrastructure Debt aligned revenue and costs to 11th February 2022.
3 Represents a partially allocated cost base, with an element of operations and support costs presented at the Corporate level consistent with how the business is managed.
4 Includes CLAMP, PCCP and Infrastructure Debt sponsor investments.
5 Excludes MAG aligned revenue and costs transitioned to Australian Wealth Management.
6 Based on average of monthly average AUM.

AMP Capital cont'd

Cashflows and AUM

Cashflows by asset class (A$m)	Cash inflows 1H 22	Cash inflows 1H 21	Cash inflows % 1H/1H	Cash outflows 1H 22	Cash outflows 1H 21	Cash outflows % 1H/1H	Net cashflows 1H 22	Net cashflows 1H 21	Net cashflows % 1H/1H
Total continuing	**1,652**	**2,227**	(25.8)	**(2,085)**	**(1,824)**	(14.3)	**(433)**	**403**	n/a
Infra equity – International	-	161	n/a	(535)	(264)	(102.7)	(535)	(103)	(419.4)
Infra equity – Domestic	589	1,771	(66.7)	(622)	(658)	5.5	(33)	1,113	n/a
Real estate	1,558	3,340	(53.4)	(1,715)	(7,377)	76.8	(157)	(4,037)	96.1
Total held for sale	**2,147**	**5,272**	(59.3)	**(2,872)**	**(8,299)**	65.4	**(725)**	**(3,027)**	76.0
Total continuing and held for sale	**3,799**	**7,499**	(49.3)	**(4,957)**	**(10,123)**	51.0	**(1,158)**	**(2,624)**	55.9
Discontinued	**14,841**	**29,454**	(49.6)	**(20,012)**	**(32,804)**	39.0	**(5,171)**	**(3,350)**	(54.4)
Total	**18,640**	**36,953**	(49.6)	**(24,969)**	**(42,927)**	41.8	**(6,329)**	**(5,974)**	(5.9)

AUM by asset class (A$m)	FY 21[1]	%	Net cashflows 1H 22	Investment returns and other[2]	Sold	1H 22	%
Total continuing	**13,299**	**12**	**(433)**	**262**	**-**	**13,128**	**24**
Infra equity – International	8,181	8	(535)	207	-	7,853	15
Infra equity – Domestic	10,279	10	(33)	250	-	10,496	20
Real estate[3]	21,062	20	(157)	1,005	-	21,910	41
Total held for sale	**39,522**	**38**	**(725)**	**1,462**	**-**	**40,259**	**76**
Total continuing and held for sale	**52,821**	**50**	**(1,158)**	**1,724**	**-**	**53,387**	**100**
Discontinued[4]	**53,518**	**50**	**(5,171)**	**2,618**	**(50,965)**	**-**	**-**
Total	**106,339**	**100**	**(6,329)**	**4,342**	**(50,965)**	**53,387**	**100**

AUM by geography (A$m)	FY 21[1]	%	Net cashflows 1H 22	Investment returns and other[2]	Sold	1H 22	%
Australia	26,111	50	(4)	1,177	-	27,284	51
New Zealand	684	1	(250)	(6)	-	428	1
Asia (including Middle East)	14,379	27	(603)	116	-	13,892	26
Rest of world	11,647	22	(301)	437	-	11,783	22
Total continuing and held for sale	**52,821**	**100**	**(1,158)**	**1,724**	**-**	**53,387**	**100**

1 FY 21 has been restated to reflect the transfer of AMP Investments (formally known as MAG) AUM to Australian Wealth Management.
2 Investment returns and other includes fees, investment returns, distributions, taxes and foreign exchange movements.
3 Real estate AUM comprises Australian (A$18.1b), NZ (A$0.1b) and Global (A$3.7b) managed assets. Australian real estate AUM is invested in office (52%), retail (45%), industrial (2%) and other (1%).
4 Discontinued businesses include GEFI sold to Macquarie Asset Management and the sale of the Infrastructure Debt platform to Ares.

Assets under management (AUM)

FY 21 AUM of A$106.3b has been restated to exclude transition of MAG to Australian Wealth Management. AUM as at 1H 22 decreased by A$53.0b to A$53.4b reflecting the sale of GEFI to Macquarie Asset Management and the sale of Infrastructure Debt to Ares.

Net cash outflows of A$6.3b were offset by positive market conditions (A$4.3b).

As at 30 June, AMP Capital's infrastructure teams have A$1.1b of uncalled committed capital.

International

AMP Capital's number of direct international institutional clients decreased by 211 to 175 in 1H 22, managing A$12.5b on their behalf (A$20.8b at FY 21). The drop in client numbers is largely attributable to the sale of the Infrastructure Debt platform.

China

During 1H 22 the CLAMP joint venture launched six new products, including ETF, diversified, equity and bond funds. The joint venture managed A$69.8b (RMB 322b) of total AUM on behalf of Chinese retail and institutional investors. This was down 5% from A$73.7b at FY 21.

In 1H 22, AMP Capital's share of CLAMP net cash outflows were A$0.6b, compared to cashflows of A$0.4b in 1H 21. CLAMP attracted inflows into its fixed income and equity funds.

AMP Capital reports its 14.97% share of the joint venture's AUM (A$10.5b).

Group Office and related matters

(A$m)	1H 22	1H 21	2H 21	FY 21	% 1H 22/ 1H 21
Controllable costs					
Employee costs	**(16)**	(22)	(17)	(39)	27.3
Technology	**(10)**	(3)	(10)	(13)	(233.3)
Regulatory, insurance and professional services	**(6)**	(12)	(9)	(21)	50.0
Project costs	**(3)**	(5)	(4)	(9)	40.0
Property costs	**(3)**	1	(7)	(6)	n/a
Other operating expenses	**(6)**	(5)	(2)	(7)	(20.0)
Total controllable costs	**(44)**	(46)	(49)	(95)	4.3
Tax expense	**13**	14	15	29	(7.1)
Group Office costs (post-tax)	**(31)**	(32)	(34)	(66)	3.1
Interest expense on corporate debt (post-tax)[1]	**(18)**	(24)	(27)	(51)	25.0
Investment income					
Investment income from Group Office investible capital[2]	**13**	14	5	19	(7.1)
Other investment income[3]	**28**	33	27	60	(15.2)
Investment income (post-tax)	**41**	47	32	79	(12.8)
Group Office NPAT (underlying)	**(8)**	(9)	(29)	(38)	11.1
Items reported below NPAT (underlying)					
Client remediation and related costs	**(22)**	(33)	(45)	(78)	33.3
Transformation cost out	**(26)**	(61)	(72)	(133)	57.4
Impairments	**-**	-	(312)	(312)	n/a
Separation costs	**(52)**	-	(75)	(75)	n/a
Other items[4]	**435**	71	(60)	11	n/a
Amortisation of intangible assets	**(2)**	(12)	(9)	(21)	83.3
Total items reported below NPAT (post-tax)	**333**	(35)	(573)	(608)	n/a
Interest expense summary					
Average volume of corporate debt	**1,431**	2,130	1,855	1,993	
Interest expense on corporate debt (post-tax)[1]	**(18)**	(24)	(27)	(51)	
Weighted average cost of corporate debt	**3.52%**	3.16%	4.07%	3.60%	
Tax rate	**28%**	29%	28%	29%	
Franking credits					
AMP dividend franking credits at face value at end of period[5]	**71**	68	67	67	
Staff numbers[6,7]					
AMP Bank	**412**	327	343	343	26.0
Australian Wealth Management[8]	**1,819**	2,460	1,989	1,989	(26.1)
New Zealand Wealth Management	**304**	332	311	311	(8.4)
AMP Capital[8,9]	**766**	1,129	981	981	(32.2)
Group Office	**1,242**	1,218	1,202	1,202	2.0
Total staff numbers	**4,543**	5,466	4,826	4,826	(16.9)

1 Includes fees associated with undrawn liquidity facilities.

2 Group Office investible capital (cash and liquid securities, excluding undrawn facilities of A$450m) was A$1.5b at 1H 22 (FY 21 A$2.1b, 1H 21 A$1.6b). Includes movements from corporate hedging activity.

3 Other investment income includes equity accounted profits from AMP's 19.99% investment in CLPC and 19.13% investment in Resolution Life Australasia in 1H 21.

4 Other items largely comprise a gain on sale of the Infrastructure Debt platform, permanent tax differences, and other one-off related impacts.

5 Balance of franking account adjusted for franking credits which will arise from the payment of income tax provided for in the financial statements.

6 Excludes advisers.

7 Group Office FTEs include FTE who are recharged to business units.

8 1H 21, 2H 21 and FY 21 have been restated for the transition of AMP Investments FTEs from AMP Capital to Australian Wealth Management.

9 1H 22 includes 259 FTEs (306 in 1H 21), primarily in shopping centres, for which the costs are recharged.

Group Office and related matters cont'd

Group Office costs not recovered from business units

1H 22 Group Office costs not recovered from business units were A$44m pre-tax, down A$2m from A$46m in 1H 21 primarily from cost out benefits.

Group Office costs include enterprise costs, professional indemnity insurance, board and listing requirement costs.

Investment income

Investment income was A$41m post-tax at 1H 22, down from A$47m at 1H 21. Investment income comprises income on Group Office investible capital, including hedging activities and equity investments in CLPC. 1H 21 included profits from Resolution Life Australasia (sale completed 28 June 2022).

Investment income on Group Office investible capital was A$13m in 1H 22, down from A$14m in 1H 21 predominantly driven by movements in cash balances mostly offset by hedging gains in the half.

Other investment income was A$28m in 1H 22, down from A$33m in 1H 21, predominantly due to the sale of the equity investment in Resolution Life Australasia. CLPC earnings continue to positively contribute to investment earnings, in 1H 22 AMP received a cash dividend from CLPC of ~A$14.5m up from ~A$7.2m in 1H 21 as the Chinese pension market continues to experience significant growth and the joint venture increases in scale. AMP's investment in CLPC (19.99%) is equity accounted and reported through Other investment income.

Client remediation and related costs

1H 22 client remediation and related costs of A$22m post-tax relate primarily to revisions to remediation costs pertaining to the Enforceable Undertaking (E.U.) as agreed with APRA and announced on 16 November 2021 and residual costs for addressing legacy advice matters and legal costs relating to class actions.

Transformation cost out

Transformation costs of A$26m post-tax in 1H 22 largely relate to realising cost improvements and program costs.

Separation costs

Separation costs in relation to the separation of AMP Capital businesses of A$52m (A$74m pre-tax spend) were incurred in 1H 22. AMP expects to incur ~A$85m (post-tax) spend to finalise the separation and facilitate the sale of the sold businesses in line with previous guidance. A$70m is expected to be incurred in 2H 22 with the residual in 1H 23.

Other items

Other items largely comprise a gain on sale of the Infrastructure Debt platform (~A$390m), permanent tax differences and other one-off related impacts.

Amortisation of acquired intangible assets

1H 22 amortisation of acquired intangible assets was A$2m. Included in this line item are amortisation of the advice register purchases, PCCP and SuperConcepts business acquisitions. Amortisation of acquired intangibles for FY 22 is expected to be ~A$5m, a reduction of A$16m reflecting the impact of the write-down of intangibles in FY 21.

Interest expense on corporate debt

1H 22 interest expense on corporate debt was A$18m, down from A$24m in 1H 21 primarily due to lower corporate debt.

The average volume of corporate debt decreased through 1H 22 to A$1,431m (A$2,130m in 1H 21).

The weighted average cost of debt in 1H 22 was 3.52%, up from 3.16% in 1H 21. This was mainly due to increases in benchmark interest rates used to set the underlying price of corporate debt.

For further information on corporate debt, refer to page 26.

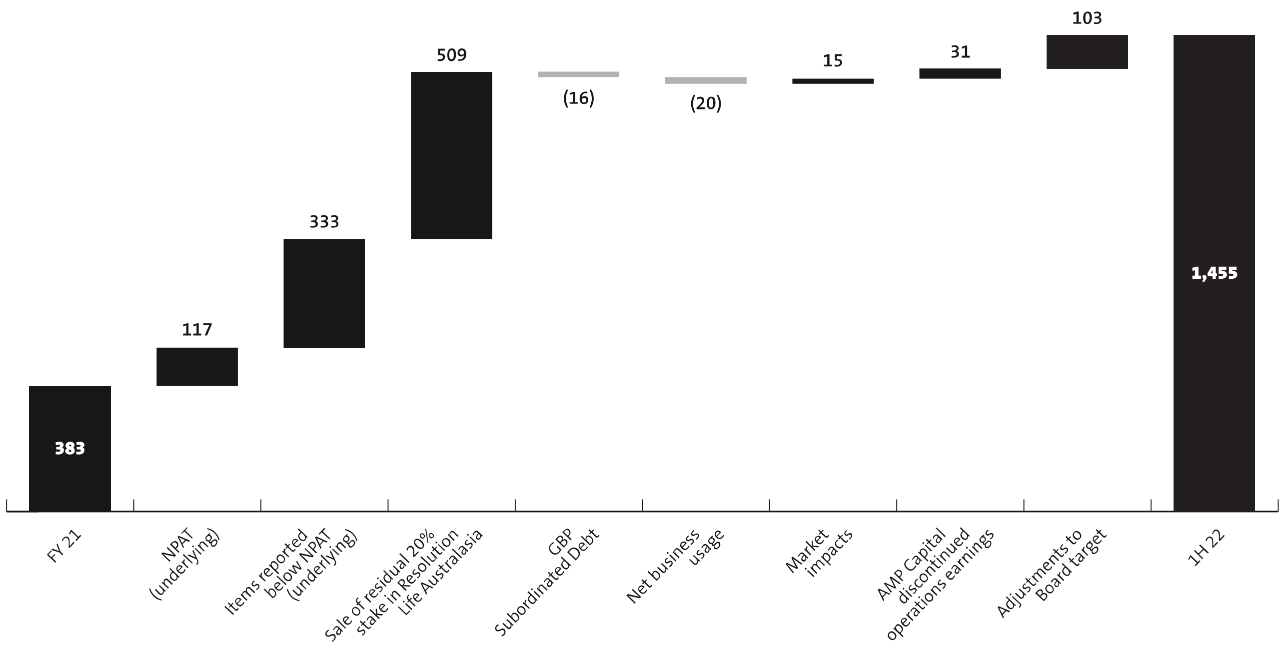
Capital adequacy

AMP group capital adequacy calculation (A$m)

	30 June 2022						31 December 2021
	AMP Bank[1]	AWM	NZWM	AMP Capital	Group Office and other	Total	Total
Shareholder equity[2]	1,253	914	168	963	1,181	**4,479**	3,874
Goodwill and other intangibles[3]	(23)	(14)	(105)	(95)	(73)	**(310)**	(344)
Equity investments[4]	-	(66)	-	(573)	(435)	**(1,074)**	(1,607)
Other regulatory adjustments[5]	(285)	(170)	-	238	(3)	**(220)**	(6)
Subordinated bonds eligible as Level 3 capital	-	-	-	-	-	**-**	16
Level 3 eligible capital	**945**	**664**	**63**	**533**	**670**	**2,875**	1,933
Eligible hybrid capital resources[6]	317	17	-	-	250	**584**	579
Total eligible capital resources	**1,262**	**681**	**63**	**533**	**920**	**3,459**	2,512
Minimum regulatory requirements (MRR)[7]	952	297	-	45	-	**1,294**	1,316
Target capital requirements	181	124	26	210	169	**710**	813
Total capital requirements	**1,133**	**421**	**26**	**255**	**169**	**2,004**	2,129
Surplus capital above total capital requirements	**129**	**260**	**37**	**278**	**751**	**1,455**	383

1 Total shareholder equity of A$1,253m includes A$166m of equity reserve accounts which are excluded in the calculation of total capital resources as shown on page 6.
2 Shareholder equity is statutory shareholder equity of A$4,578m adjusted for accounting mismatches and other adjustments of A$99m.
3 Refer to page 30 for definition of intangibles. Intangibles include A$94m of assets classified as held for sale. Management has elected to classify these assets as deductions from eligible capital until their planned asset sales.
4 Equity investments relate to holdings of associate equity investment where AMP holds a minority interest, including holdings in China Life joint ventures (A$516m), various investments in AMP Capital (A$322m), AMP Capital's holding in PCCP (A$169m) and various entities linked to the AMP Advice business (A$67m). Equity investments includes A$317m of assets held for sale. Management has elected to classify these assets as deductions from eligible capital until their planned asset sales.
5 Other regulatory adjustments relate to securitisation, deferred tax assets and other provisions for AMP Bank, deferred tax assets for Australian Wealth Management and includes an adjustment for eligible seed and sponsor investment classified as equity investments in AMP Capital.
6 Eligible hybrid capital instruments are subordinated debt which is able to be included as eligible capital for the purpose of meeting minimum regulatory requirements.
7 Minimum regulatory requirements for AMP Bank relate to total capital requirements of 8% (of risk weighted assets) plus the capital conservation buffer of 2.5% (of risk weighted assets), as stipulated within APS 110.

Movement in AMP group surplus capital FY 21 to 1H 22 (A$m)[1]



1 Represents movements in surplus capital above target requirements during 1H 22.

Regulatory capital requirements and capital management framework

Regulatory requirements

A number of the operating entities within the AMP group of companies are regulated. These include an authorised deposit taking institution (ADI), superannuation entities and a number of companies that hold Australian Financial Services Licences (AFSLs). These companies are regulated by APRA, the Reserve Bank of New Zealand, the Financial Markets Authority New Zealand and/or the Australian Securities and Investments Commission (ASIC) and are required to hold minimum levels of regulatory capital, as set by the relevant regulator.

The main minimum regulatory capital requirements for AMP's regulated businesses are determined as follows:

- AMP Bank: capital requirements as specified under the APRA ADI Prudential Standards
- Australian Wealth Management: operational risk requirements related to AMP's two superannuation trustees (one active), AFS Licence requirements on administration entities, and
- AMP Capital: primarily relates to AFS Licence requirements in two core administration entities.

Target capital requirements

Target capital requirements are determined at the business unit level and are calculated such that sufficient capital is reserved to ensure minimum regulatory requirements are upheld under severe stress scenarios.

The Group-wide stress testing exercise undertaken in 1H 22 re-calibrated the sizing and allocation of target capital requirements.

The results of the Group-wide stress testing process are considered together with AMP's appetite for material risks (including financial, product and operational risk), when setting a target surplus above MRR which seeks to reduce the risk of breaching MRR.

Capital management framework

AMP holds capital to protect clients, creditors and shareholders against unexpected losses. There are a number of ways AMP assesses the adequacy of its capital position. Primarily, AMP aims to:

- maintain a sufficient surplus above minimum regulatory capital requirements (MRR) to reduce the risk of breaching MRR, and
- maintain the AMP group's credit rating.

Level 3 eligible capital above MRR and target capital requirements for regulated entities and the AMP group may vary throughout the year due to a range of factors including profits, dividend payments, capital for business growth and other one-off items, including market movements.

Capital position

At 30 June 2022, total eligible capital above target requirements was A$1,455m (A$383m at 31 December 2021).

In line with prior guidance, the Board has resolved not to declare a dividend in 1H 22.

As a result of a strengthened capital position, AMP will return to shareholders A$1.1b comprising A$350m of capital via an on-market share buyback to commence immediately, with a further A$750m of capital returns planned in FY 23 subject to regulatory and shareholder approval. The A$750m return is expected to comprise a combination of capital return, special dividend or further on-market share buyback.

Movement in AMP group surplus capital FY 21 to 1H 22

The movement in the level of AMP group surplus capital throughout 1H 22 includes the following items:

- Capital generated from underlying business operation (A$117m).
- Items reported below NPAT (underlying) include the impact of separation costs (A$52m), transformation costs (A$26m), client remediation and related costs (A$22m) and amortisation of intangible assets (A$2m) offset by A$435m of other items.
- Capital deployed to support growth in AMP's business units. This includes capital deployed in AMP Bank to support loan growth, capital used to support regulatory requirements in AMP's Australian Wealth Management business and increases in regulatory adjustments relating to growth in assets which are not suitable to support the Group's eligible capital base.
- Capital impacts from markets. This includes the impact of changes in interest rates and the impact of foreign exchange rates on the value of assets held on balance sheet.

Net tangible assets

Net tangible assets (NTA) at 30 June 2022 is A$4,169m or A$1.28 per share.

To derive NTA, statutory shareholders equity of A$4,578m is adjusted for accounting mismatches and other adjustments of A$99m, and goodwill and other intangibles of A$310m.

Debt and liquidity overview

	30 June 2022			31 December 2021		
A$m	Corporate debt	AMP Bank	Total	Corporate debt	AMP Bank	Total
Subordinated bonds	78	-	**78**	78	-	**78**
AMP Notes 3	250	-	**250**	250	-	**250**
AMP Capital Notes[1]	-	-	**-**	-	-	**-**
AMP Capital Notes 2[1]	275	-	**275**	275	-	**275**
AMP Subordinated Notes[2]	-	250	**250**	-	250	**250**
Total subordinated debt	603	250	**853**	603	250	**853**
Commercial paper, NCDs and repos[3]	-	1,419	**1,419**	-	1,518	**1,518**
Medium-term notes (MTN)	828	225	**1,053**	828	575	**1,403**
Total senior debt	828	1,644	**2,472**	828	2,093	**2,921**
Deposits	-	19,978	**19,978**	-	17,783	**17,783**
Total debt	1,431	21,872	**23,303**	1,431	20,126	**21,557**
Corporate gearing ratios						
Corporate gearing	**20%**			22%		
Interest cover – underlying (times)	**6.4**			8.0		
Interest cover – actual (times)	**2.8**			-		

	Corporate debt by year of repayment[4]					
A$m	0–1 year	1–2 years	2–5 years	5–10 years	10+ years	Total
Total corporate debt at 30 June 2022	**296**	**860**	**275**	**-**	**-**	**1,431**
Total corporate debt at 31 December 2021	296	595	540	-	-	1,431

1 AMP Capital Notes were retired upon maturity in FY 21. A$225m of AMP Capital Notes 2 is used to fund Additional Tier 1 Capital within AMP Bank.
2 AMP Subordinated Notes are issued by AMP Limited and on-lent to AMP Bank, where they are recognised as allowable Tier 2 capital. The debt and interest expense on these notes is included in AMP Bank's balance sheet and operating results.
3 Commercial paper, NCDs and repos for AMP Bank includes A$1,034m of borrowings under AMP Bank's Term Funding Facility provided by the Reserve Bank of Australia.
4 Based on the earlier of the maturity date and the first call date.

Corporate debt

Corporate debt volumes of A$1,431m in 1H 22 were unchanged from FY 21. At 30 June 2022, all corporate debt was effectively at floating rates.

All foreign currency denominated corporate debt is hedged back to AUD at the time of issuance for the life of the security. Foreign currency denominated debt is reported above in AUD based on hedged face value.

At 30 June 2022 group liquidity (excluding AMP Bank) was A$1.5b of liquid assets. Total group liquidity and available facilities at 1H 22 were A$1.9b. A$450m of undrawn facilities were cancelled post balance date.

AMP Bank

AMP Bank utilises a diverse range of funding sources (customer deposits, securitisation, short and long-term wholesale borrowings), with its primary source of funding being A$20.0b of deposits, including A$13.6b of customer deposits.

AMP Bank actively hedges its funding against movements in short-term interest rates. However, the Bank remains exposed to negative interest rates and increases in credit spreads to the extent it needs to replace funding.

The securitisation of mortgages via the issuance of residential mortgage backed securities (RMBS) is a source of funding and capital relief for AMP Bank. As at 30 June 2022, total RMBS funds were A$4.4b. AMP Bank has in place a A$1.0b warehouse facility with MUFG Bank Ltd and a A$1.0b committed warehouse facility with Commonwealth Bank of Australia.

Sensitivities – profit and capital

1H 22 profit sensitivities (A$m)

	NPAT (post-tax)[1]					
	AMP Bank	AWM	NZWM	AMP Capital	Group Office	Total
Market variables						
10% increase in Australian equities	-	5	-	-		**5**
10% decrease in Australian equities	-	(5)	-	-		**(5)**
10% increase in international equities	-	6	1	-		**7**
10% decrease in international equities	-	(6)	(1)	-		**(7)**
10% increase in property[2]	-	1	-	4		**5**
10% decrease in property[2]	-	(1)	-	(4)		**(5)**
1% (100 bps) increase in 10 year bond yields	-	(4)	-	-		**(4)**
1% (100 bps) decrease in 10 year bond yields	-	4	-	-		**4**
1% increase in cash rate	-	1	-	-		**1**
1% decrease in cash rate	-	(1)	-	-		**(1)**
Business variables						
5% increase in AUM		10	1	3		**14**
5% increase in AMP Bank total mortgage balances	5					**5**
1 bp increase in AMP Bank net interest margin	2	-	-			**2**
5% reduction in controllable costs	5	18	1	12	3	**39**

1 NPAT sensitivities exclude investment income which is derived from A$1.5b of Group Office investible capital (cash and liquid securities, excluding undrawn facilities of A$450m) as well as A$1.1b in equity investments, including holdings in China Life joint ventures (A$516m), various investments in AMP Capital (A$322m), AMP Capital's holding in PCCP (A$169m), various entities linked to the AMP Advice business (A$67m). Equity investments includes A$317m of assets held for sale. Management has elected to classify these assets as deductions from eligible capital until their planned asset sales.

2 AMP Bank has no direct property exposure.

All profit sensitivities above show a full year impact.

The profit and capital sensitivities are only indicative, because:
- they assume that the particular variable moves independently of all others
- they are based on the 1H 22 position, ie not 'forward looking', and make no allowances for events subsequent to 30 June 2022, and
- in general, for profit sensitivities, they assume the movement occurs evenly over the year; for capital sensitivities, they assume the movement occurs at 30 June 2022.

Other assumptions include:
- parent company shareholders' equity is fully invested, and there are no adjustments for investments which are outside index weightings
- currency movements in investments in self-sustaining operations do not impact profit
- property sensitivities relate to unlisted property; listed property trusts are included in equities
- bond yield sensitivities relate to both government and corporate bond yields for both Australian and international bonds
- profit sensitivities exclude the impact of movements in credit spreads in corporate and semi-government debt, and
- AMP Bank net interest margin is assumed to be insensitive to changes in cash rate.

Profit sensitivities

The sensitivities set out above apply to 1H 22 NPAT assuming changes in a range of hypothetical economic or business variables.

Important considerations when using these sensitivities

NPAT – investment linked business

For investment linked business, fee income is largely based on the level of AUM, which in turn is directly impacted by investment markets.

For changes in market variables which impact AUM levels, it is assumed that the change in the variable occurs evenly across the entire year. That is, the analysis is point to point, assuming the movement from one point (eg beginning of the year equity markets) to another point (eg end of the year equity markets) occurs evenly over the year. It is similar to assuming a one-off movement in the variable halfway through the year. For large movements that do not occur halfway through the year, the profit sensitivities need to be extrapolated. For example, a 10% increase/decrease in equity markets at the start of the year would have double the impact on 1H 22 NPAT than set out in the table above.

The sensitivities are based on the 1H 22 position and are not forward looking. If using the sensitivities as forward looking (eg applying 1H 22 profit sensitivities for 2H 22 or FY 22), an allowance for changes in AUM levels and mix should be made. Refer to page 9 (Australian Wealth Management) and page 18 (AMP Capital) for average AUM levels that were applied in 1H 22.

Sensitivities – profit and capital cont’d

The AWM NPAT sensitivities includes the impact on investment returns from assets supporting the operational capital requirements of the superannuation business and the North Guarantee.

The AMP Capital NPAT sensitivities assume no change to performance and transaction fees and do not include seed and sponsor capital investments.

AMP regulatory capital sensitivities

Capital sensitivities – regulatory capital resources above MRR (A$m)[1]		**AMP group**
Actual 30 June 2022 (ASX 200 @ 6,568); Australian bond yields @ 3.69%		2,165
Equity sensitivity	– 20% increase (ASX 200 @ 7,882)	5
	– 10% increase (ASX 200 @ 7,225)	5
	– 10% decrease (ASX 200 @ 5,911)	(5)
	– 20% decrease (ASX 200 @ 5,254)	(15)
Australian bond yields sensitivity	– 100 bps increase (Australian bond yields @ 4.7%)	30
	– 50 bps increase (Australian bond yields @ 4.2%)	15
	– 50 bps decrease (Australian bond yields @ 3.2%)	(20)
	– 100 bps decrease (Australian bond yields @ 2.7%)	(45)

1 These sensitivities are based on a point in time and do not make any allowance for subsequent management actions.

The sensitivities shown above reflect the impact of market movements on AMP’s capital position.

The analysis is a point in time view of the capital impact of movements in equity markets and bond yields on AMP’s capital position, inclusive of any long-term and tactical protection which have been implemented.

AMP group sensitivities include the effect on capital of movements in operational risk requirements in the Superannuation funds, the defined benefit funds and North Guarantee products.

AMP’s capital management policies include market related trigger points at which management will take action to reduce the impact of market movements on AMP’s capital position. Market movements and trends are carefully monitored and adjustments made accordingly.

The sensitivities contained in the table above do not make any allowance for management actions subsequent to 30 June 2022, which may have a significant impact on these sensitivities.

Market share and channel analysis

Market share

Australia (AUM) A$b	March 2022 Total market size	March 2022 Market position (rank)	March 2022 Market share %	March 2021 Total market size	March 2021 Market position (rank)	March 2021 Market share %
Superannuation including rollovers[1,2]	478.4	2	20.2	451.9	1	21.0
Corporate superannuation master funds[3]	163.7	3	13.0	163.1	3	12.0
Retirement income[1]	216.9	3	16.0	208.6	2	16.3
Unit trusts (excluding cash management trusts)[1,2]	376.7	8	4.0	323.8	7	4.7
Total retail managed funds (excluding cash management trusts)[1,2]	1,083.2	3	13.5	995.0	1	14.5
New Zealand Wealth Management (AUM) NZ$b						
Retail superannuation[4]	n/a	n/a	n/a	2.6	1	44.4
Unit trusts[5]	49.0	10	2.2	44.5	8	2.4
KiwiSaver[5]	89.2	6	6.5	81.7	5	8.0
Total retail funds	138.2	8	5.0	128.7	6	6.8
Corporate superannuation[6]	8.2	1	42.1	8.3	1	42.5

1 Source: Market Overview Retail Managed Funds – Marketer, Plan For Life, March 2022.
2 These figures include SuperConcepts products in the superannuation and unit trust categories.
3 Source: Australian Retail and Wholesale Investments, Market Share and Dynamics Report, Plan For Life, 31 March 2022.
4 Measured by AUM. Source: FundSource Limited March 2021 but no longer available for March 2022.
5 Measured by AUM. Source: Plan for Life, March 2022 and March 2021.
6 Measured by AUM. Source: Eriksens Master Trust Survey, March 2022 and March 2021.

Channel analysis

Channel analysis (A$m)	Adviser numbers 1H 22	Adviser numbers 1H 21	Adviser numbers % 1H/1H	Practice numbers 1H 22	Practice numbers 1H 21	Practice numbers % 1H/1H	Total AUM[1] 1H 22	Total AUM[1] 1H 21	Total AUM[1] % 1H/1H
AMP Advice[2]	-	81	n/a	-	2	n/a	-	11,248	n/a
AMP Financial Planning	578	677	(14.6)	207	253	(18.2)	39,318	50,428	(22.0)
Charter Financial Planning	366	419	(12.6)	125	165	(24.2)	18,507	19,520	(5.2)
Hillross	114	179	(36.3)	47	70	(32.9)	6,237	11,035	(43.5)
Total (core licensees)	**1,058**	**1,356**	(22.0)	**379**	**490**	(22.7)	**64,062**	**92,231**	(30.5)
Jigsaw Support Services[3]	85	29	193.1				6,615	808	n/a
Total (licensee services)	**85**	**29**	193.1				**6,615**	**808**	n/a
Corporate Super Direct							13,786	15,083	(8.6)
Third-party distributors and other							34,724	23,103	50.3
Total Australia[4]	**1,143**	**1,385**	(17.5)	**379**	**490**	(22.7)	**119,187**	**131,225**	(9.2)
New Zealand[5]	52	66	(21.2)	2	2	-	10,205	12,580	(18.9)
Total	**1,195**	**1,451**	(17.6)	**381**	**492**	(22.6)	**129,392**	**143,805**	(10.0)

1 Includes advised and non-advised AUM.
2 Sale of employed advice business (AMP Advice) was completed in December 2021.
3 Excludes AMP Authorised Representatives.
4 AUM includes all Australian Wealth Management excluding Other wealth management and SuperConcepts AUA.
5 Includes directly employed advisers.

Accounting treatment, definitions and exchange rates

Additional Tier 1 capital – Includes components of capital that are higher quality than Tier 2 capital, but do not meet the requirements for Common Equity Tier 1 capital.

AMP Capital continuing – Includes the residual AMP Capital assets (CLAMP, PCCP and certain sponsor investments) and are reported within NPAT underlying to reflect the go forward earnings of the AMP group.

AMP Capital discontinued – Includes Infrastructure Debt, Global Equities and Fixed Income; and the held for sale businesses of Real Estate and Domestic Infrastructure Equity business sold to Dexus, and the International Infrastructure Equity business sold to DigitalBridge.

AUM based revenue – Includes revenue derived from AUM or AUM-linked sources (eg account and administration fees). For the Australian and New Zealand Wealth Management businesses this includes administration and investment revenue on superannuation, retirement and investment products. AMP Capital AUM based revenue primarily includes management fees earned on invested capital in infrastructure, real estate and public markets assets.

Benefit fund – A scheme that provides a retirement benefit, usually based on salary and/or a predetermined formula for calculating that benefit. Unlike an accumulation scheme, the retirement benefit and method of calculation is known to the member at all times.

Capital Adequacy Ratio (AMP Bank) – Total regulatory capital divided by total risk weighted assets calculated using the standardised approach. Total regulatory capital is comprised of Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital.

Common Equity Tier 1 capital – Comprises the highest quality components of capital that fully satisfy all of the following essential characteristics:

a) provide a permanent and unrestricted commitment of funds
b) are freely available to absorb losses
c) do not impose any unavoidable servicing charge against earnings, and
d) rank behind the claims of depositors, policyholders and other creditors in the event of winding up.

Controllable costs – Include operational and project costs and exclude variable costs, provision for bad and doubtful debts and interest on corporate debt.

Controllable costs to average AUM – Calculated as controllable costs divided by the average of monthly average AUM.

Corporate debt – Borrowings used to fund shareholder activities of the AMP group including the impact of any cross-currency swaps entered into to convert the debt into A$, but excluding debt used to fund AMP Bank activities. Refer to page 26 for more detail.

Corporate gearing – Calculated as total senior debt (page 26) plus the total of Subordinated Bonds and AMP Notes 3 divided by AMP Shareholders' Equity plus all corporate debt (Including senior and subordinated) which is not on-lent to AMP Bank. AMP shareholders' equity in the above calculation is adjusted to remove acquired asset management mandates and capitalised costs.

Cost to income ratio – Calculated as controllable costs divided by gross margin. Gross margin is calculated as EBIT plus investment income (pre-tax) plus controllable costs. For the calculation of Group and Bank cost to income ratios, gross margin excludes loan impairment expense.

EPS (actual) – Earnings per share calculated as NPAT (statutory) of AMP Limited divided by the statutory weighted average number of ordinary shares.

EPS (underlying) – Calculated as NPAT (underlying) divided by the basic weighted average number of ordinary shares.

External AUM (AMP Capital) – Assets managed by AMP Capital sourced from institutional clients (including corporate, public sector and industry superannuation funds, and large non-superannuation funds), non-AMP dealer groups, private clients and international clients and partnerships.

Group cash – Cash and cash equivalents held outside business units.

Intangibles – Represents acquired goodwill, acquired asset management mandates, capitalised costs, buyer of last resort (BOLR) assets and other assets similar to goodwill acquired upon acquisition of AXA.

Interest cover (actual) – Calculated on a rolling 12 month post-tax basis as NPAT (statutory) of AMP Limited before interest expense on corporate debt for the year divided by interest expense on corporate debt for the same period.

Interest cover (underlying) – Calculated on a rolling 12 month post-tax basis as NPAT (underlying) before interest expense on corporate debt for the year divided by interest expense on corporate debt for the same period.

Internal AUM (AMP Capital) – Assets managed by AMP Capital sourced from AMP's business units.

Investment income – The income on shareholder assets invested in income producing investment assets (as opposed to income producing operating assets) attributed to the BUs (including Group Office). The return on AMP Bank income producing investment assets is included in AMP Bank NPAT.

Shareholder funds invested in income producing assets may be higher or lower than BU capital due to the working capital requirements of the business unit.

From 1H 21, the normalisation of expected returns on investment income through the use of a separate market adjustment has been abolished, with reported investment income now reflecting actual, rather than forecast, investment returns.

Investment performance (AMP Capital) – The percentage of AUM measured against market benchmarks as well as client goals.

Level 3 eligible capital – Comprises the highest quality components of capital for AMP Limited as the head of a Level 3 group. Level 3 eligible capital has similar characteristics to Common Equity Tier 1 capital for insurers and ADIs.

Accounting treatment, definitions and exchange rates cont'd

Liquidity Coverage Ratio (LCR) – A requirement to maintain an adequate level of high quality liquid assets to meet liquidity needs for a 30 calendar day period under a stress scenario. Absent a situation of financial stress, the value of the LCR may not be less than 100%.

Minimum regulatory capital requirements (MRR) – Refer to page 24.

Net interest margin (AMP Bank) – Net interest income over average interest earning assets.

Net Stable Funding Ratio (NSFR) – The Net Stable Funding Ratio seeks to promote the stable funding of a bank's balance sheet based on the liquidity characteristics of its assets and off-balance sheet activities over a one year time horizon. The measure aims to ensure that long-term assets are financed with at least a minimum amount of stable funding.

Non-AUM based revenue (AMP Capital) – Revenue primarily derived from real estate management, development and leasing fees as well as infrastructure equity commitment fees.

NPAT – Also referred to as NPAT (underlying), represents shareholder attributable net profit or loss after tax excluding non-recurring revenue and expenses.

NPAT (statutory) – Reflects the net profits (or losses) distributable to AMP Limited shareholders in a given period.

Practice finance loans – Business loans provided to AMP aligned financial advisers, which are secured by a General Security Agreement over the adviser's business assets, including the client servicing rights, or other assets. Commercial lending credit policy, process and rates apply to these loans.

Performance and transaction fees (AMP Capital) – Includes performance fee revenues primarily relating to variable fees on open-ended and closed-end funds across real estate, infrastructure debt and infrastructure equity. Transaction fees comprise one-off revenues in relation to the above asset classes, particularly infrastructure debt transactions and debt advisory as well as one-off divestments. These fees are typically highly variable in nature, both in quantum and timing.

Return on capital (AMP Bank) – Return on capital is calculated as NPAT, less distributions on Additional Tier 1 capital divided by average bank total capital resources (for the purpose of this calculation, total capital resources is balance sheet equity, less Additional Tier 1 capital) for the period.

RoBUE – Return on BU equity is calculated as BU NPAT, annualised for the number of days in the period (for half years), divided by the average of the BU's current balance of tangible capital resources and the closing balances of the prior two periods. In each case, no allowance is made for the benefit of gearing, which occurs at the AMP group level.

RoE (actual) – Calculated as NPAT (statutory) of AMP Limited divided by the average of AMP shareholder equity for the period.

RoE (underlying) – Calculated as NPAT (underlying) of AMP Limited divided by the average of AMP shareholder equity for the period.

Seed and sponsor revenue (AMP Capital) – Income on seed and sponsor capital assets, including normal valuation movements and net profit/loss on sales, gross of funding costs.

Tier 2 capital – Includes components of capital that, to varying degrees, fall short of the quality of Common Equity Tier 1 capital and Additional Tier 1 capital but nonetheless contribute to the overall strength of an insurer or ADI.

Variable costs – Include costs that vary directly with the level of related business (eg investment management fees, banking commissions and securitisation costs).

Wealth other – Includes investments on behalf of external institutional and retail clients, and SuperConcepts.

Exchange rates			**AUD/NZD**
2022	1H 22	– closing	1.1060
		– average	1.0842
2021	FY 21	– closing	1.0619
		– average	1.0614
	2H 21	– closing	1.0619
		– average	1.0527
	1H 21	– closing	1.0744
		– average	1.0718

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Website

For additional 2022 half year results information, visit AMP's website at **amp.com.au/shares**

You will find:

- background information on AMP, business units, management and policies
- statutory reporting at the AMP Limited level (incorporating shareholder, policyholder and non-controlling interests)
- archived webcasts of presentations to investors and analysts
- archived ASX announcements and historical information
- definitions and details of assumptions
- key shareholder dates