

2018 notice of meeting

Your guide to AMP's 2018 annual general meeting



Dear shareholder

It is my pleasure to invite you to the 2018 annual general meeting (AGM) of AMP Limited (AMP).

The meeting will be held in the Savoy Ballroom at the Grand Hyatt Melbourne, 123 Collins Street, Melbourne, Victoria, Australia on Thursday 10 May 2018, **beginning at 11.00am (Melbourne time)**. Shareholders who are attending the AGM can register from 8.30am at the venue. Information on how to get to the Grand Hyatt is on page 4.

This event is an opportunity for you to share your views directly with the AMP Limited Board and senior management team and to hear from them about your company's progress and plans for the future. We encourage all shareholders to join us either in person or via the live webcast at amp.com.au/agm. If you are unable to attend, we are pleased to offer you the opportunity to ask questions via the live webcast.

You may also appoint a proxy before the meeting, by post, fax or online.

At the meeting, you will have the opportunity to vote on:

- the re-election of Holly Kramer and Vanessa Wallace as directors of AMP
- the election of Andrew Harnos as a director of AMP
- the adoption of the remuneration report as set out on pages 28 to 52 of the AMP 2017 annual report, and
- the approval of the allocation of restricted equity to the CEO under a new Executive Performance Incentive Plan, as the CEO's equity incentive for 2018.

The following pages contain details of the items of business for the meeting and the voting procedures.

In June 2017, we were pleased to announce the appointment of Andrew Harnos as a new director to our board. Andrew brings valuable skills and experience to the board to assist with the delivery of our strategy.

We are pleased to host, once again, a free information session for shareholders prior to the AGM. This is an opportunity for you to hear from AMP's Chief Economist Shane Oliver. The information session will be held in the Mayfair Ballroom at the Grand Hyatt Melbourne, 123 Collins Street, Melbourne at 9.30am (Melbourne time) on Thursday 10 May 2018, and shareholders will also have the opportunity to talk to an AMP financial adviser during the morning. All shareholders are invited to attend the event in person or join the webcast and ask questions at amp.com.au/ampinfosession.

I look forward to welcoming you to our 2018 AGM.



Catherine Brenner
Chairman

You're invited to an exclusive shareholder session

Join AMP online or in person for a free information session.

Hear from AMP Chief Economist Shane Oliver.

When 9.30am (Melbourne time) Thursday 10 May 2018

Where The Mayfair Ballroom, Grand Hyatt Melbourne, 123 Collins Street, Melbourne, Victoria

Online View the webcast live and ask questions or view the archive at amp.com.au/ampinfosession

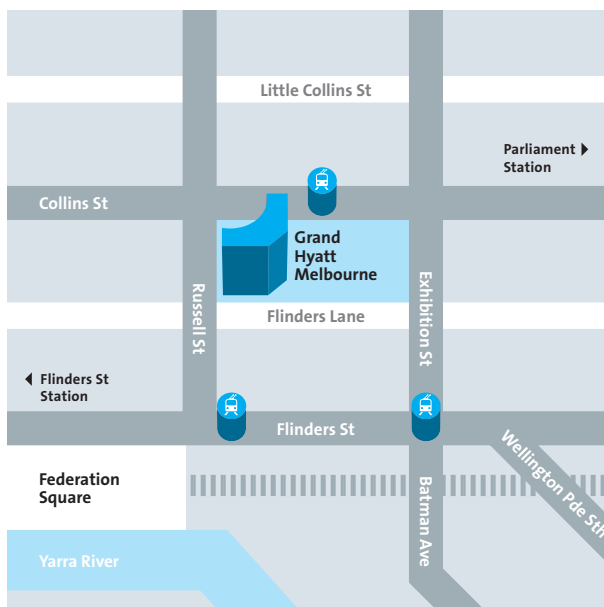
This event will be followed by the AMP 2018 AGM.

Details of the meeting

AMP's 2018 annual general meeting will be held on Thursday 10 May 2018, **beginning at 11.00am (Melbourne time)**, in the Savoy Ballroom at the Grand Hyatt Melbourne, 123 Collins Street, Melbourne, Victoria, Australia. Registration will open at 8.30am (Melbourne time).

How to watch the meeting and ask questions live online

You can watch a live webcast of the meeting and ask questions at amp.com.au/agm.



How to get to the meeting

The Grand Hyatt Melbourne is located in the centre of Melbourne on Collins Street.

Tram: the closest tram stop is 101 Collins Street.

Train: the closest train stations are Flinders Street Station and Parliament Station.

Car: parking is available at the Grand Hyatt Melbourne, or in parking stations on Collins and Flinders Streets.

Accessibility: attendees requiring lift access should use the Russell Street entrance and go to level 8.

AMP 2017 annual report

A copy of the AMP 2017 annual report (including the financial report, directors' report and auditor's report for the year ended 31 December 2017) is available online at amp2017.reportonline.com.au.

Certain terms used in this notice have the meaning given to them on page 19. Unless otherwise specified, all amounts are in Australian dollars.

Items of business

Item 1: Financial report, directors' report and auditor's report

To receive and consider the financial report, the directors' report and the auditor's report for the year ended 31 December 2017.

Shareholders will be asked to consider and, if thought fit, to pass the resolutions below, which will be proposed as ordinary resolutions.

Item 2: Re-election and election of directors

- (a) To re-elect Holly Kramer as a director.
- (b) To re-elect Vanessa Wallace as a director.
- (c) To elect Andrew Harnos as a director.

Item 3: Adoption of remuneration report

To adopt the remuneration report for the year ended 31 December 2017.

Item 4: Approval of the chief executive officer's equity incentive for 2018

To approve the acquisition by the chief executive officer of AMP Limited, Craig Meller, of:

- (a) rights to acquire shares in AMP Limited as the chief executive officer's equity incentive for 2018, and
- (b) shares in AMP Limited on the conversion of some or all of those rights, as described in the explanatory notes to the notice convening the meeting.

Note: Voting exclusions for items 3 and 4

Item 3: AMP will disregard any votes on item 3:

- cast by or on behalf of a member of the key management personnel (KMP) whose remuneration details are included in the remuneration report for the year ended 31 December 2017 or their closely related parties, in any capacity, or
- cast as a proxy by any other person who is a member of the KMP at the time of the AGM, or by their closely related parties,

unless the vote is cast as proxy for a person who is entitled to vote on item 3 and:

- the vote is cast in accordance with a direction on the proxy form specifying how the proxy is to vote on item 3, or
- the vote is cast by the chairman of the meeting and the proxy form expressly authorises the chairman to vote as the chairman decides on item 3 (even though the resolution is connected with the remuneration of members of the KMP).

Item 4: AMP will disregard any votes on item 4:

- cast in favour of item 4 by or on behalf of Craig Meller or his closely related parties, in any capacity, or
- cast as a proxy by any other person who is a member of the KMP at the time of the AGM, or by their closely related parties,

unless the vote is cast as proxy for a person who is entitled to vote on item 4 and:

- the vote is cast in accordance with a direction on the proxy form specifying how the proxy is to vote on item 4, or
- the vote is cast by the chairman of the meeting and the proxy form expressly authorises the chairman to vote as the chairman decides on item 4 (even though the resolution is connected with the remuneration of a member of the KMP).

Please read the information under the heading Chairman of the meeting as proxy, on page 7, which deals with the chairman's voting of proxies on items 3 and 4.

The proposed items of business should be read in conjunction with the explanatory notes on pages 8 to 18.

How to vote

As a shareholder, you can vote on the items of business by:

- attending the meeting, or
- appointing a proxy, representative or attorney to attend the meeting and vote on your behalf.

Voting at the meeting

The board has determined that you will be entitled to attend and vote at the meeting if you are a registered shareholder of AMP at 7.00pm (Melbourne time) on Tuesday 8 May 2018. You will be entitled to vote in respect of the number of AMP shares registered in your name at that time.

Voting on all proposed resolutions at the meeting will be conducted by poll.

Appointing a proxy

A shareholder who is entitled to attend and vote at the meeting may appoint a proxy to attend and vote at the meeting on their behalf. A proxy does not need to be a shareholder of AMP.

If a shareholder is entitled to cast two or more votes at the meeting, the shareholder may appoint two proxies and may specify the percentage or number of votes each proxy can exercise. If the proxy form does not specify the percentage or number of the shareholder's votes that each proxy may exercise, each proxy may exercise half of the shareholder's votes on a poll. Fractions will be disregarded.

Completed proxy forms (and any necessary supporting documents) must be received by AMP no later than 11.00am (Melbourne time) on Tuesday 8 May 2018.

Submitting your proxy form

You can submit your proxy form in the following ways:

Online by visiting investorvote.com.au on your computer or smartphone. You will need the control number and holder number shown on your proxy form to submit your form online. To use the smartphone voting service, scan the QR code which appears at the top of your proxy form and follow the instructions provided or go to investorvote.com.au from your smartphone. To scan the code, you need to have already downloaded a free QR code reader app to your smartphone. When scanned, the QR code will take you directly to the mobile voting site. The online proxy facility may not be suitable for shareholders who wish to appoint two proxies with different voting directions. Participating intermediaries can lodge their form online through intermediaryonline.com.

By post using the envelope provided or by posting it to:

Australia	Reply paid 2980, Melbourne VIC 8060
New Zealand	PO Box 91543, Victoria Street West, Auckland 1142
Other countries	GPO Box 2980, Melbourne VIC 3001, Australia

By fax:

Australia	1300 301 721
New Zealand	+649 488 8787
Other countries	+613 9473 2555

By post or hand delivery to:

AMP's registered office or the AMP share registry	33 Alfred Street, Sydney NSW 2000, Australia
Australia	Level 4, 60 Carrington Street, Sydney NSW 2000, Australia
New Zealand	Level 2, 159 Hurstmere Road, Takapuna, Auckland 0622, New Zealand

Power of attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already been provided to the AMP share registry. A proxy cannot be appointed under a power of attorney or similar authority online.

Corporate representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the meeting, the representative will need to bring to the meeting adequate evidence of their appointment unless this has been previously provided to the AMP share registry. An appointment of corporate representative form may be obtained from the AMP share registry or online at investorcentre.com/au (select Help and then click the Printable Forms icon).

Chairman of the meeting as proxy

AMP encourages you to consider directing your proxy how to vote by marking the appropriate box on the proxy form for each of the proposed resolutions.

If you appoint the chairman of the meeting as your proxy (or the chairman becomes your proxy by default) and you do not direct your proxy how to vote on the proposed resolutions set out in this notice, then by completing and submitting the proxy form you will be expressly authorising the chairman of the meeting to vote as the chairman decides on the proposed resolutions (even though items 3 and 4 are connected with the remuneration of members of the KMP).

The chairman of the meeting intends to vote, as your proxy, in favour of each of the proposed resolutions (where permissible).

If:

- you appoint someone other than the chairman of the meeting as your proxy and direct them how to vote on the proposed resolutions, and
- your nominated proxy does not attend the meeting, or does not vote on your behalf on the proposed resolutions,

then the chairman of the meeting will cast your votes on a poll as directed (where permissible).

Other key management personnel as proxy

If you appoint a director (other than the chairman of the meeting) or another member of the KMP (or a closely related party of a member of the KMP) as your proxy, you should direct them how to vote on items 3 and 4 by marking the appropriate boxes. If you do not do so, your proxy will not be permitted to vote on your behalf on items 3 and 4.

By order of the board.



David Cullen

Company Secretary, 5 March 2018

Explanatory notes

The information below is an explanation of the business to be considered at the 2018 AGM.

Item 1: Financial report, directors' report and auditor's report

The AMP 2017 annual report (which includes the financial report, the directors' report and the auditor's report) will be presented to the meeting. Shareholders can access a copy of the annual report at amp2017.reportonline.com.au. A printed copy of the AMP 2017 annual report has been sent only to those shareholders who have elected to receive a hard copy. To receive a printed copy of the annual report, free of charge, please contact the AMP share registry.

During this item, shareholders will be given an opportunity to ask questions about, and make comments on, the 2017 annual report and AMP's management, business, operations, financial performance and business strategies.

Shareholders will also be given an opportunity to ask a representative of AMP's auditor, Ernst & Young, questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by AMP in relation to the preparation of the financial statements, and the independence of the auditor in relation to the conduct of the audit.

If you would prefer to submit a written question to the auditor, please do so in accordance with the instructions on page 19 under the heading Questions from shareholders. All written questions to the auditor must be received by no later than Thursday 3 May 2018.

Item 2: Re-election and election of directors

Directors standing for re-election or election

Holly Kramer, Vanessa Wallace and Andrew Harmos are non-executive directors of AMP and are retiring in accordance with AMP's constitution. Holly and Vanessa were elected by shareholders at the AGM in 2016. Andrew was appointed, by the directors, to the AMP Limited Board in June 2017.

Holly and Vanessa are eligible to be re-elected as directors of AMP and intend to offer themselves for re-election at the meeting. Andrew is eligible to be elected as a director and intends to offer himself for election at the meeting.

Profiles of each candidate are included below. The board considers Holly, Vanessa and Andrew to be independent and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgement.

Holly Kramer

BA (Hons), MBA

Holly was appointed to the AMP Limited Board in October 2015 and was appointed a member of the Audit Committee in November 2015. In May 2017, she was appointed a Director of AMP Bank Limited, Chairman of the AMP Bank Audit Committee and a member of the AMP Bank Risk Committee. Holly served as a Director of AMP Life Limited and The National Mutual Life Association of Australasia Limited and as a member of their Audit Committees and Risk Committees from May 2016 until February 2017.

Experience

Holly has considerable retail, marketing and digital experience with more than 20 years spent in general management, marketing and sales for customer-focused organisations. Most recently, Holly was Chief Executive Officer of apparel retailer Best & Less, where she transformed the



Holly Kramer



Vanessa Wallace



Andrew Harmos

business and returned it to growth and profitability. Holly has also held senior executive and marketing roles with Pacific Brands, Telstra, eCorp and the Ford Motor Company.

Listed directorships

- Director of Woolworths Limited (appointed February 2016)
- Director of Nine Entertainment Co. Holdings Limited (May 2015 to February 2017)

Government and community involvement

- Deputy Chair of Australia Post
- Director of Southern Phone Company Limited
- Director of The GO Foundation
- Member of the Board of Trustees of Western Sydney University

Board recommendation

The board has undertaken a review of Holly's performance and, with Holly abstaining, unanimously recommends her re-election.

Vanessa Wallace

BCom, MBA

Vanessa was appointed to the AMP Limited Board and as a member of the People and Remuneration Committee in March 2016. She was appointed Chairman of the AMP Capital Holdings Limited Board in August 2016, having joined the board and its Audit and Risk Committee in May 2016.

Experience

Vanessa has wide-ranging experience in financial services strategy, having spent over 30 years consulting to the financial services sector across Asia Pacific. Most recently Vanessa was Executive Chairman of Strategy& Japan Inc, which formed from the merger of PwC and Booz & Company. Previously she was Booz & Company's financial services practice leader for global markets and held multiple governance roles at the highest level within Booz's global partnership, including as a member of its board. She was actively involved in the firm's strategy and customer, channels and markets activities which focused on areas such as customer experience, offer design and channels to market across a number of industries. Vanessa also has experience in mergers and acquisitions and post-merger integration.

Listed directorships

- Director of Wesfarmers Limited (appointed July 2010)
- Director of SEEK Limited (appointed March 2017)

Government and community involvement

- Member of the Chairman’s Council of the Australian Chamber Orchestra
- Member of the MS Research Australia Leadership Council

Board recommendation

The board has undertaken a review of Vanessa’s performance and, with Vanessa abstaining, unanimously recommends her re-election.

Andrew Harmos

BCom, LLB (Hons)

Andrew was appointed to the AMP Limited Board in June 2017 and is a member of its Audit and Risk Committees. Andrew was appointed a Director of AMP Life Limited and The National Mutual Life Association of Australasia Limited in August 2013. He has served as a member of the Audit Committees of both life company boards since August 2013 and was appointed as a member of the Risk Committees of both life company boards in November 2014. Andrew became Chairman of the Audit Committees of both life company boards in May 2016.

Experience

Andrew is one of the founding directors and shareholders of Harmos Horton Lusk Limited, an Auckland-based specialist corporate legal advisory firm. He specialises in corporate takeovers, corporate structure and governance advice, company, business and asset acquisitions and disposals, securities offerings, and strategic and board corporate advice. Andrew is also a director of Pascaro Investments Limited (a farm investment company) and Elevation Capital Management Limited, and was previously Chairman of NZX Limited and a trustee of the Arts Foundation of New Zealand.

Listed directorships

- Director of Scentre Group (appointed June 2014)

Government and community involvement

- Member of the New Zealand Arts Foundation Finance Committee

Board recommendation

The board has undertaken a review of Andrew’s performance and, with Andrew abstaining, unanimously recommends his election.

Item 3: Adoption of remuneration report

Remuneration at AMP is designed to align the interests of employees with the creation of value for shareholders. Our 2017 remuneration report details the link between AMP’s 2017 results and the remuneration outcomes for executives. The report also provides shareholders with an overview of the structure for our 2018 executive remuneration arrangements and outlines the philosophy and approach adopted to drive growth and improve outcomes for shareholders.

Our 2017 remuneration report appears on pages 28 to 52 of the AMP 2017 annual report (which is available online at amp2017.reportonline.com.au).

2017 remuneration outcomes

2017 saw AMP deliver a strong recovery in underlying profit (\$1,040m up from \$486m in 2016) with solid operating performances across the group. The results reflect the continued growth in AMP’s core businesses, the stabilisation of the insurance business and a sustained focus on cost management. We also made good progress in delivering on strategy.

The 2017 remuneration outcomes reflect the group's improved financial performance and delivery against strategic priorities. However, despite delivering solid operating results, the board determined that the overall short-term incentive (STI) outcomes were slightly 'below target' at 90% of target (or 56% of maximum), resulting in a pool of \$75m. This decision reflects the rigour and discipline applied to setting and measuring progress against targets and is consistent with the approach taken in 2016 when a zero STI outcome was applied to executives in reflection of poor financial performance.

Overall the board assessed the CEO's performance as on target. Despite his performance being on target, consistent with the board philosophy of linking the CEO STI outcome closely to the overall STI scorecard outcome, the CEO received an allocation of \$2,147,000, which is 90% of his target opportunity or 56% of his maximum opportunity.

Fixed remuneration increases were limited to where there was a change in role as a result of the new organisation structure. The CEO did not receive an increase in fixed remuneration in 2017.

The performance hurdles were not met and so no portion of the long-term incentive (LTI) granted in 2014 vested.

There was no increase to non-executive directors' fees in 2017.

2018 executive remuneration changes

Recognising that remuneration is a key lever in driving performance, as foreshadowed in our 2016 remuneration report, we also reviewed our executive remuneration arrangements to ensure they support the new portfolio strategy and drive performance within the appropriate risk management framework.

While the existing incentive plans were meeting some of AMP's remuneration guiding principles, the board felt that there was scope to improve the arrangements to ensure the remuneration framework best supports the delivery of AMP's new five-year strategy. In particular, the board strongly believes that using equity to create an ownership mentality is key to driving the performance culture required to deliver the strategy to create value for shareholders.

The result is that AMP is introducing a new incentive plan for executives from 1 January 2018 – the Executive Performance Incentive Plan (EPI Plan) where there is a significant emphasis on equity for the CEO, the Group Leadership Team and executives at the next layer in the organisation. Further information on the EPI Plan appears on pages 12 to 17 (in the explanatory notes for item 4) and in the remuneration report.

Additional information

During this item, shareholders will be given an opportunity to ask questions about, and make comments on, the remuneration report.

Shareholders will be asked to vote on a resolution to adopt the remuneration report at the meeting. The vote on the resolution will be advisory only and will not bind the directors or AMP. However, the board will take the outcome of the vote and any discussion into consideration when reviewing the remuneration policy for directors and executives in the future.

If you intend to appoint a proxy to vote on your behalf on the resolution for adoption of the remuneration report, please read the information on page 7 under the heading Chairman of the meeting as proxy.

Board recommendation

Each director recommends that shareholders vote in favour of adopting the remuneration report.

Item 4: Approval of the chief executive officer's equity incentive for 2018

Background

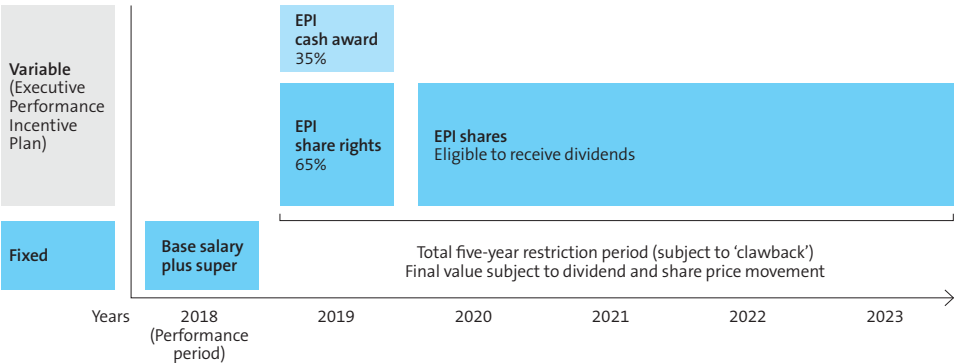
In 2017, the board conducted a comprehensive review of AMP's remuneration strategy to determine how we could better deliver the group strategy to create long-term sustainable returns for shareholders. This included extensive discussions with shareholders and other stakeholders.

A key part of this review was to ensure that AMP's remuneration framework supports the delivery of AMP's new five-year strategy. In particular, the board strongly believes that using equity to create an ownership mentality is key to driving the performance culture required to deliver the strategy to create value for shareholders.

The new Executive Performance Incentive Plan (EPI Plan) is a simple framework that is designed to create equity ownership if performance objectives are met. A single allocation will be made each year based on performance against a scorecard.

The annual scorecard will be comprised of financial and non-financial measures, with at least 70% financial measures and at most 30% strategic measures. If the targets are achieved, an executive's award will be delivered partly in cash and partly in the form of restricted equity that vests after a five-year restriction period. The final value to the executive of that equity grant will be directly tied to the share price performance of AMP and hence will create a strong alignment with shareholder interests. This holistic incentive scheme is effective from 1 January 2018 for AMP's CEO, Group Leadership Team and executives at the next layer in the organisation and replaces the existing short-term incentive (STI) and long-term incentive (LTI) plans.

For the CEO, the award of restricted equity will be initially made as rights to AMP shares (EPI rights), and these rights will convert into restricted AMP shares (EPI shares) after one year. The EPI shares will remain subject to trading restrictions for a further four-year period. 35% of any award for the CEO will be delivered in cash and the remaining 65% will be delivered in the form of restricted equity, as summarised in the diagram below:



Further information regarding the EPI Plan can be found in section 6 of the 2017 remuneration report.

The board is seeking prospective shareholder approval to issue EPI rights to the CEO in 2019, which will relate to performance against the 2018 Group scorecard and the CEO's individual goals.

Why we are seeking shareholder approval

AMP is not required to seek shareholder approval for the issue of EPI rights to the CEO as any AMP shares required to be delivered on conversion of the CEO's EPI rights will be sourced through on-market purchases. However, the board believes it is appropriate to seek shareholder approval.

Performance measures

Following a thorough assessment of performance against the Group scorecard and the CEO's individual goals, which were set for him at the beginning of the year, the CEO's EPI allocation, as a percentage of his 'at target opportunity', will be determined by the board after the end of the one-year performance period (being 1 January 2018 – 31 December 2018).

The CEO's EPI outcome will be directly linked to the Group scorecard outcomes. This is a deliberate choice by the board and reinforces that the CEO is accountable for the overall performance of the business. The 2018 Group scorecard includes the following performance measures:

- financial measures (70% weighting), being underlying profit less cost of capital (50%) and growth measures (20%)
- key strategic initiatives (20% weighting) required to deliver AMP's five-year plan
- customer measures (10% weighting), being net promoter score (NPS).

While the Group scorecard will be the primary determinant of the CEO's EPI allocation, the board will review a broader set of measures, including key strategic priorities, people and culture measures, and conduct, in assessing his performance, and may alter his actual EPI allocation (from the amount determined based solely on the Group scorecard outcome) in light of these factors. The board's intention is that the CEO's EPI outcome would never be higher than the Group scorecard outcome.

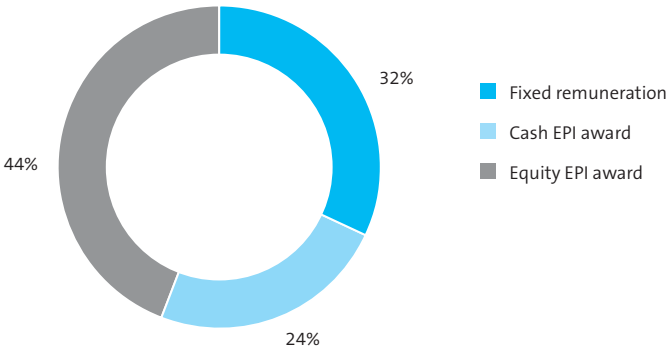
Subject to commercial sensitivities, the board will provide further information on the metrics in the Group scorecard, Mr Meller's additional performance measures and the board's assessment of his performance against those measures in the 2018 remuneration report.

For future performance years, the board will review and potentially set new performance measures each year, depending on whether a change of focus is needed to support and drive delivery of AMP's strategy.

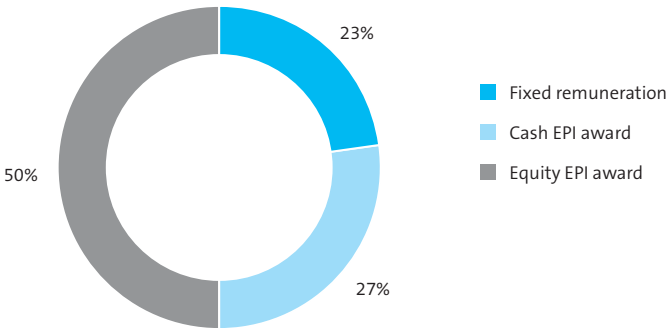
CEO’s opportunity under the EPI Plan for 2018

The 2018 remuneration mix for the CEO for ‘at target’ performance and ‘at maximum’ performance is set out below.

‘At target’ performance



‘At maximum’ performance



Consistent with the objective of ensuring that a significant portion of the CEO’s remuneration is ‘at risk’ and subject to performance, the ‘at target’ opportunity for the CEO under the EPI Plan is 210% of his fixed remuneration (ie \$3,990,000, being 210% of \$1,900,000). There is no change to the value of the CEO’s remuneration ‘at target’. The intention of the new plan is not to pay the CEO more or less, but to pay him differently, to align him more strongly with the shareholder experience. To arrive at an equivalent value at target, extensive modelling was completed by a third party. Based on this, a discount of 40% to the current LTI face value was applied to determine the EPI Plan target opportunity.

In exceptional circumstances, where the AMP group and the CEO have significantly outperformed, the maximum incentive opportunity for the CEO is 336% of fixed remuneration, compared to 425% of fixed remuneration under the previous STI and LTI arrangements. The reduced overall incentive opportunity for the CEO recognises the different risk profile of the new framework.

For the year ending 31 December 2018, the target dollar value that the CEO could earn under the EPI Plan (including both cash and equity) as a result of on target performance is \$3,990,000. The value of EPI rights which could be awarded to the CEO for on target performance is \$2,593,500 (being 65% of the target EPI opportunity).

The maximum value of EPI rights that could be awarded to the CEO for exceptional performance is \$4,149,600. The maximum amount would only be awarded if:

- the AMP group exceeds the target profitability, growth, customer and strategic measures for 2018 approved by the board by a material amount, and
- the CEO is evaluated by the board at the highest level on his individual goals.

Allocation of equity methodology

The number of EPI rights that may be awarded to the CEO for his 2018 EPI allocation will be calculated based on the formula below.

Number of EPI rights* = (EPI equity % x Actual EPI) / P

* If the resulting number is a fraction, it will be rounded down to the nearest whole number of EPI rights.

where:

Actual EPI is the total dollar value of the EPI allocation for the CEO for 2018, as determined by the board after the end of the performance period by reference to performance against the applicable performance measures.

EPI equity % is the proportion of Actual EPI which is expected to be delivered in restricted equity. The EPI equity percentage is 65% for 2018.

P is the volume weighted average price of AMP shares traded on ASX during the 10-day trading period commencing on the day after the ex-dividend date (expected to be in February 2019) for any full year dividend announced by AMP for the 2018 financial year (or, if the board considers that this period does not reflect a realistic price having regard to the recent trading history, such other period as determined by the board) (EPI pricing period).

As an illustrative example, assuming that the board's assessment of the CEO's performance against the applicable performance measures leads to a total EPI allocation of \$4,000,000, then \$2,600,000 would be delivered as EPI rights (that is, 65% of \$4,000,000). If the volume weighted average price of AMP shares traded on ASX during the EPI pricing period was \$6.00 per share, the number of EPI rights granted to Mr Meller would be 433,333 (that is, \$2,600,000 / \$6.00).

The board retains the right to vary the mix of equity and cash comprising the CEO's total EPI allocation for 2018. However, it will only exercise this discretion to increase the EPI equity component (and therefore reduce the EPI cash component). If this discretion were exercised, the EPI equity percentage in the formula above would be adjusted accordingly.

Cessation of employment

The treatment of the cash and equity components of the CEO's EPI allocation for 2018 on cessation of the CEO's employment is outlined in the table below.

Reason for cessation of employment	Treatment of EPI during:		
	Performance period	One-year restriction period – EPI rights	Four-year restriction period – EPI shares
Termination for cause.	Not eligible for consideration for EPI allocation.	Lapse.	Forfeited.
Redundancy, death, total and permanent disablement, certain medical conditions, retirement, separation by mutual agreement or AMP initiated separation for a reason unrelated to termination for cause.	Eligible for a pro-rata EPI allocation, consisting of cash and restricted equity, provided the termination date is after 1 March 2018.	Remain subject to the original restriction period – ie will convert into EPI shares in the ordinary course and the EPI shares will be held for the original four-year restriction period (subject to the trading restrictions and forfeiture provisions described below).	Remain subject to the original restriction period (subject to the trading restrictions and forfeiture provisions described below).
All other circumstances of termination (including resignation).	Not eligible for consideration for EPI allocation.	Lapse.	Remain subject to the original restriction period (subject to the trading restrictions and forfeiture provisions described below).

The board has discretion to determine a different treatment to the treatment set out above. The board also has discretion, in certain circumstances, to accelerate the end date of the restriction period for the release and vesting of EPI shares and to accelerate conversion of EPI rights. This would include circumstances such as satisfying tax obligations which may be triggered on cessation of employment.

Forfeiture and clawback

The board has broad 'clawback' powers to determine that EPI rights, EPI shares or vested shares will lapse or be forfeited (as appropriate) in a number of circumstances, including where, in the opinion of the board, the CEO:

- has acted fraudulently or dishonestly
- has committed an act which has brought AMP into disrepute
- has breached his obligations to AMP, including breach of policies or codes of conduct
- is convicted of an offence relating to the affairs of AMP, or
- has had a judgment entered against him in any civil proceedings in respect of the contravention of his duties at law, in equity or under statute.

The board also has discretion to determine that EPI rights or EPI shares will lapse or be forfeited (as appropriate):

- to protect the financial soundness or position of AMP
- to ensure that no unfair benefit is obtained by the CEO
- to respond to a material change in the circumstances of, or a significant unexpected or unintended consequence affecting, AMP that was not foreseen by the People and Remuneration Committee
- for the purposes of any other relevant ‘prudential matter’, or to comply with the law, or
- to give effect to any requirement or other provision of AMP’s remuneration policy issued under authority of the board (as amended from time to time).

Change of control

In certain limited circumstances, such as a change in control of AMP, the board may exercise discretion to convert EPI rights into AMP shares and/or to remove the restrictions on EPI shares before the end of the applicable restriction period.

Other information

- If shareholder approval is obtained and the CEO receives an EPI allocation for 2018, it is anticipated that EPI rights will be issued to the CEO on or around 20 February 2019.
- Each EPI right will give the CEO a conditional right to receive one fully paid ordinary AMP share. The EPI rights will not give the CEO the right to receive any dividends or equivalent payments, nor any voting rights.
- The EPI shares will be held on trust for the CEO during the four-year restriction period. The CEO will be entitled to receive dividends on, and have voting rights in relation to, EPI shares allocated during the restriction period.
- The restriction period for the equity component of the EPI award will end on or around February 2024. The CEO must not sell, transfer, encumber, hedge or otherwise deal in EPI rights or EPI shares during the five-year restriction period.
- As EPI rights and EPI shares form part of the CEO’s remuneration, they will be granted at no cost to him, and no amount will be payable by him on conversion of the EPI rights into shares.
- Mr Meller is the only director of AMP entitled to participate in the EPI Plan.
- This is the first time AMP has sought shareholder approval for the CEO’s participation in the new EPI Plan. Following shareholder approval at the 2017 Annual General Meeting, 855,000 performance rights were issued to Mr Meller (at no cost to him) as his 2017 LTI.
- There is no loan scheme in relation to the EPI rights or EPI shares.
- If the award of restricted equity to the CEO is not approved by shareholders, in order to meet AMP’s contractual obligations under the CEO’s employment contract, AMP would instead pay to the CEO an amount in cash equivalent to the value, as at the vesting date, of the EPI shares (if any) that would otherwise have been allocated to the CEO as part of his EPI award for 2018, plus the value of any dividends or capital returns that the CEO would have been entitled to receive in respect of those EPI shares during the restriction period. This arrangement would be subject to the same terms as outlined above (including the satisfaction of applicable service conditions), to the extent that those terms are relevant.

If you intend to appoint a proxy to vote on your behalf on the resolution for approval of the CEO's equity incentive for 2018, please read the information on page 7 under the heading Chairman of the meeting as proxy.

Board recommendation

In the non-executive directors' view, it is in the best interests of shareholders to approve the award of EPI rights to the CEO as his equity incentive for 2018 because the award will tie the interests of the CEO to long-term company and share price performance. Your directors (with the CEO, Craig Meller, abstaining) therefore recommend that shareholders approve the proposed resolution in item 4.

Questions from shareholders

We welcome questions from shareholders before and during the meeting. Questions should relate to matters relevant to the business of the meeting, including matters arising from the financial report, the directors' report (including the remuneration report) or the auditor's report, general questions regarding the performance, business or management of AMP, and relevant questions of the auditor. You can ask AMP or the auditor a question in the following ways:

- Online at amp.com.au/shares (click on Ask a question) or through the online proxy service. You will need your holder number and control number, which can be found on your proxy form.
- Post or fax your question to the AMP share registry. You can use the envelope provided to post your question. Registry contact details are on the back of this booklet.
- In person at the meeting or online via the live webcast at amp.com.au/agm.

If you have questions relating to private affairs, as either a shareholder or customer of AMP, our staff at the customer service desk or shareholder services desk in the foyer will be happy to assist you on the day of the meeting. Before or after the meeting, you can contact the AMP Investor Relations team on 1800 245 500 or by sending an email to shares@amp.com.au.

Your questions (other than questions you wish to ask during the meeting) must be received no later than Thursday 3 May 2018.

The chairman of the meeting will answer as many of the frequently asked questions as possible at the meeting. Due to the expected volume of questions, AMP will not be sending individual replies. The meeting will be webcast live at amp.com.au/agm.

Definitions

AMP means AMP Limited ABN 49 079 354 519.

AMP share registry means Computershare Investor Services Pty Limited ABN 48 078 279 277 of Level 4, 60 Carrington Street, Sydney NSW 2000.

CEO means chief executive officer of AMP.

Closely related party, in relation to a member of the key management personnel, means the member's spouse (or de facto partner), child or dependant (or a child or dependant of the member's spouse or de facto partner), anyone else in the member's family who may be expected to influence or be influenced by the member in the member's dealings with AMP (or the AMP group), and any company the member controls.

Key management personnel or **KMP** means those people who have authority and responsibility for planning, directing and controlling the activities of AMP or the AMP group, whether directly or indirectly. Members of the KMP include directors (both executive and non-executive) and certain senior executives.

Melbourne time means Australian Eastern Standard Time.

You or shareholder means a holder of AMP shares.



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