

## 2016 corporate governance statement

We are committed to excellence in corporate governance, which we believe is essential for the long-term performance and sustainability of our company and the delivery of our strategy.

Our promise is to help people own tomorrow. This is a responsibility we take seriously and our governance framework is designed to provide the right structure and review processes to deliver on our promise for many years to come.

You can find information on the structure of our business, our board and management teams and our policies and practices at [amp.com.au/aboutamp](http://amp.com.au/aboutamp).

### Key information

During 2016, AMP continued to strengthen and enhance its corporate governance practices, including in the following key areas:

- **Succession planning** – at AMP, ensuring that the AMP Limited Board as a whole maintains the right combination of skills and experience to drive our business forward is key to our success. The board skills matrix outlines the skills and experience that will ensure we continue to have the right mix of directors to support our strategy. In 2016, the board's skills and experience were enhanced with the appointments of Vanessa Wallace, Geoff Roberts, Mike Wilkins and Peter Varghese. These appointments underline the integrity and strength of the board's nomination and succession planning processes. You can find the directors' biographies, including details of their qualifications, tenure and experience, in the AMP 2016 annual report and on our website.
- **Inclusion and diversity** – AMP is committed to fostering an inclusive and diverse workplace. Gender equality is a clear priority, and at 31 December 2016, women held 40% of AMP Limited Board and senior executive positions. Women also held 41% of our middle manager roles, slightly behind target (42%). We remain committed to increasing gender representation at this level and to a range of broader inclusion and diversity goals and initiatives, including an increased focus on flexible work.
- **Risk culture** – AMP values effective risk management as fundamental to its long-term sustainability and reputation. The board and management believe that effective risk management requires a risk-aware culture amongst all employees. AMP recognises that a sound risk culture drives the right behaviour and conduct within an organisation and is committed to improving risk culture to keep pace with regulatory, customer and social expectations. In 2016, AMP continued to focus on initiatives to further embed risk awareness into AMP's broader culture to ensure risk is effectively integrated into decision making. For example, a risk culture measure makes up 10% of the 2016 short-term incentive scorecard for executives reinforcing risk management as a key feature of AMP's reward elements.
- **Corporate sustainability** – at AMP, corporate sustainability encompasses a broad range of matters including environmental management, people and workplace, corporate responsibility and community investment. In 2016, AMP continued to reduce its greenhouse gas emissions, by 25% from our 2013 base year, and the AMP Foundation distributed \$5.2 million to the community, including more than \$1 million in grants through AMP's Tomorrow Fund to help 53 Australians achieve their goals.
- **Board governance** – during 2016, we comprehensively reviewed the board's governance model to provide enhanced clarity over the roles and responsibilities of the board and its committees, for greater governance efficiency and effectiveness.

## Engaging with our shareholders

**AMP encourages our individual and institutional shareholders to engage actively with our business.**

Our shareholders are the owners of our company and we value their input. During 2016, we had the second largest shareholder base of any company in Australia with over 795,000 shareholders, many of whom are also our customers.

### Keeping our shareholders informed

AMP values direct, two-way communication with our shareholders and we ensure they receive clear, transparent and timely information about our business. We communicate with our shareholders on changes to our business and issues that impact our industry.

We take our continuous disclosure obligations seriously. All material price sensitive information that requires disclosure is made available through the Australian Securities Exchange (ASX) and New Zealand Stock Exchange (NZX). Shareholders can also elect to receive emails directly from AMP on key announcements and we continue to encourage shareholders to provide their email address so we can deliver timely updates direct to their inbox.

Shareholders can elect to receive their annual reports, notices of meeting and dividend statements in print or online. Should they choose to receive their reporting information online they can still opt to receive a copy of their dividend statement by post. In addition, shareholders are able to communicate electronically with our share registry, Computershare. Shareholders are also able to lodge their proxy forms online using their computer or mobile device.

Our Investor Relations team coordinates an investor relations program and conducts group and one-on-one briefings with our institutional investors and analysts. Where possible, our group briefings are webcast. Our dedicated shareholder website includes a calendar of upcoming announcements and presentations and allows users to set up automatic diary reminders of these dates. You can find this website at [amp.com.au/shares](http://amp.com.au/shares).

### Annual shareholder meeting

Our board welcomes the opportunity to meet with our shareholders and encourages them to join us for our annual general meeting (AGM) each year either in person or via our webcast. We encourage shareholders to provide us with any questions about our business or the business of the AGM ahead of each meeting, so that these can be addressed before or at the meeting. For shareholders who are unable to attend the AGM, we enable questions to be asked online during the AGM.

Following very positive feedback from shareholders in 2015, we again offered an information session for shareholders held just before the 2016 AGM. The session provided an opportunity for shareholders to hear from our financial experts and benefit from their insights and expertise. A similar session will be held before the 2017 AGM, at 9.30am on Thursday 11 May 2017 at Sydney Town Hall. All shareholders are invited to join the session in person or online.

### 2017 annual general meeting

AMP's 2017 AGM will be held at 11am on Thursday 11 May 2017 at Sydney Town Hall. Shareholders who are unable to attend can appoint a proxy to vote on their behalf, either online or by post or fax, and can observe and contribute to the meeting through our webcast. You can find full details in the 2017 notice of meeting.

## Our board of directors

The AMP Limited Board oversees the management of our company on behalf of shareholders.

The governance and performance of AMP is overseen by a board of directors elected by shareholders.

### Our governance structure



### Responsibilities of the board

The board is responsible for overseeing the management of AMP on behalf of shareholders. In addition to the matters the board is required to approve by law, its key responsibilities include:

- approving the strategic direction of the company and overseeing its implementation
- approving material transactions and capital initiatives
- overseeing and approving the company’s governance model
- approving the risk management framework (including risk appetite, risk management strategy, and control and compliance systems) and monitoring its effectiveness (including risk culture)
- approving the appointment of the chief executive officer (CEO) and chief financial officer (CFO) and the remuneration arrangements for certain key executives
- overseeing succession planning for key executive roles
- approving diversity targets and overseeing progress against them
- monitoring the performance of management and the business.

The responsibilities of the board are outlined in our corporate governance charter which you can find at [amp.com.au/corporategovernance](http://amp.com.au/corporategovernance).

In discharging its responsibilities, including overseeing delegations to the boards of the key subsidiaries, the board seeks to have proper regard to, and to balance, the duties to stakeholders, including policyholders and other customers, shareholders and employees.

The board has delegated responsibility to the CEO for the day-to-day management and performance of AMP. The CEO is supported by the members of the Group Leadership Team who work together to execute the strategy and manage the operations of the company. AMP has a comprehensive delegations of authority framework from the CEO to the Group Leadership Team and then through our layers of executives and employees.

The CEO, the Group Leadership Team and other key executives have clearly defined goals and accountabilities and an employment contract setting out their terms of employment, duties, rights and responsibilities, and entitlements on termination of employment.

## Board program

At the beginning of each year, the board settles on a work program for its normal schedule of 10 meetings. This program provides a high-level overview of items to be considered by the board during the calendar year. Its purpose is to link the board program with AMP's strategic and operational priorities, while ensuring that adequate time remains to deal with additional strategic, governance and operational issues as they arise during the year.

The items covered by the program include consideration of strategic priorities, matters that require board approval such as the full and half-year financial results, and matters relating to our people, our culture and our governance framework. The program is reviewed at each board meeting to ensure it continues to reflect the current needs of the board and the business.

Additional board meetings and board workshops are scheduled during the year to deal with additional matters that require board attention as they arise, or to enable the board to consider business, industry or regulatory issues in more detail.

## Board composition

**AMP's non-executive directors have diverse backgrounds. Each director brings valuable skills and experience to help oversee the delivery of our strategy and manage the opportunities and risks we face.**

Under our corporate governance charter, the board must be made up of a majority of independent non-executive directors and will have no more than two executive directors. The chairman of the board will be non-executive and independent. The maximum tenure of a non-executive director normally will be until the AGM occurring in the ninth year after their first election by shareholders at an AGM.

Our board is made up of nine independent non-executive directors and the CEO. Our Chairman, Catherine Brenner, joined the board in 2010 and was elected chairman in June 2016. She is responsible for providing leadership to the board and the AMP group as a whole. The chairman's other key responsibilities are documented in the corporate governance charter.

During 2016 there were a number of changes to the board:

- As noted above, in June 2016, we announced the appointment of Catherine Brenner as Chairman of the AMP Limited Board. This followed the retirement of our former Chairman, Simon McKeon, at the conclusion of the 2016 AGM. Catherine retained her role as chairman of the Nomination and Governance Committee and became a member of the People and Remuneration Committee in June 2016.
- In March 2016, Vanessa Wallace joined the board and its Risk Committee and People and Remuneration Committee. She was also appointed chairman of AMP Capital Holdings Limited in August 2016, having been a director of that board and a member of its Audit and Risk Committee since May 2016. Vanessa has wide-ranging experience in financial services strategy, having spent over 30 years consulting to the financial services sector across Asia Pacific.
- Brian Clark and John Palmer retired in May and June 2016 respectively, following extensive and exemplary service on the board.
- In July 2016, Geoff Roberts joined the board and was appointed chairman of the Audit Committee. Geoff has more than 30 years' experience in financial services across Australia, Asia and Europe, with a particular focus on accounting, financial management and strategic advice.
- In September 2016, Mike Wilkins joined the board and its Audit and Risk Committees. He is also a non-executive director of AMP Life Limited and a member of its Audit and Risk Committees. Mike has more than 30 years' experience in financial services in Australia and Asia, including life insurance and investment management. Mike has more than 20 years' experience as CEO for ASX100 companies.
- In October 2016, Peter Varghese joined the board and its Risk Committee. He is also a Director of AMP Capital Holdings Limited and a member of its Audit and Risk Committee. Peter has extensive experience in public administration and governmental and international affairs, which spans 38 years and includes senior positions in foreign affairs, trade policy and intelligence. Most recently, Peter was Secretary of the Department of Foreign Affairs and Trade where he was CEO of a complex global operation including 100 overseas posts.

You can find biographies of the board of directors, including details of their qualifications, tenure and experience in the AMP 2016 annual report and on our website.

## Board selection and appointment

The Nomination and Governance Committee is responsible for ensuring the board comprises directors who collectively have the relevant experience, knowledge, diversity and skills required to effectively support AMP in the execution of its strategy. To assist in ensuring AMP maintains the optimum mix of directors, the Nomination and Governance Committee and board use a skills matrix which identifies the skills and experience needed to support AMP in achieving its strategic objectives and fulfilling its legal and regulatory requirements. The skills matrix is one

of several important tools when considering potential director candidates. All areas in the skills matrix are currently well represented on the board as a whole.

As noted above, there were several changes to the composition of the board in 2016. The board's skills and experience were enhanced, in keeping with the board skills matrix, with the appointments of Vanessa Wallace, Geoff Roberts, Mike Wilkins and Peter Varghese. These appointments underline the integrity and strength of the board's nomination and succession planning processes.

**AMP Limited Board skills matrix**

## 2017 strategic objectives

<ul style="list-style-type: none"> <li>➤ Tilting investment to higher growth, less capital intensive businesses with strong positions</li> </ul>	<ul style="list-style-type: none"> <li>➤ Reducing costs to continue growing profitably</li> </ul>
<ul style="list-style-type: none"> <li>➤ Transforming our business to help our customers own tomorrow</li> </ul>	<ul style="list-style-type: none"> <li>➤ Expanding selectively in Asia and internationally to capture new growth opportunities</li> </ul>

### Specific non-executive director skills/experience

- ✓ Life insurance and superannuation
- ✓ Retail and corporate business
- ✓ Innovation and technology
- ✓ Customer, marketing and brand
- ✓ Funds management
- ✓ Government and regulatory environment
- ✓ International operations (with a focus on Asia)

### General non-executive director skills/experience

- ✓ Investment, treasury and capital markets
- ✓ Financial acumen
- ✓ Culture and organisational development
- ✓ Law, governance and compliance
- ✓ CEO level experience
- ✓ Non-executive director experience
- ✓ Judgement and integrity

In addition to the skills and experience that are outlined in the skills matrix above, when reviewing potential board candidates, the board also takes into account independence requirements, AMP's diversity targets, the geographic spread of AMP's businesses and succession planning.

The Nomination and Governance Committee takes a holistic approach to the review of the structure and composition of both the AMP Limited Board and the boards of our key subsidiaries, given AMP's conglomerate-based governance model. The board of each of our key subsidiaries is chaired by and also includes at least one other non-executive director from the AMP Limited Board.

The committee's holistic approach ensures we have:

- the optimum mix of directors to support our business on an ongoing basis
- appropriate succession plans in place for both the AMP Limited Board and the boards of our key subsidiaries
- the flexibility to enable relevant specialist skills and experience to be added to the board of a key subsidiary as and when required.

Amongst other things, AMP's conglomerate-based governance model facilitates the board having greater oversight of the broader business and a better flow of information on material matters impacting the key subsidiaries.

### Appointment of directors

Prior to the appointment of any new non-executive director, appropriate checks are conducted to determine if the candidate has the capabilities needed and is fit and proper to undertake the responsibilities of the role. These include extensive background checks on character, education, employment experience, criminal history and bankruptcy. External consultants are engaged to assist with the selection process as necessary. Throughout their tenure, directors must continue to demonstrate they have the education, character, diligence, honesty, integrity and judgement required for the role. Their ability to perform their duties is assessed annually and, in 2016, all directors were confirmed as fit and proper.

If the board determines a candidate will be a valuable addition to AMP, they receive a formal letter of appointment outlining the key terms, conditions and expectations of their appointment. Before accepting the position, the candidate must confirm they have sufficient time to fulfil their obligations to AMP and provide details of their other commitments.

All new non-executive directors must stand for election by shareholders at the first AGM after their appointment and all non-executive directors must then stand for re-election at the third AGM after their first election or any subsequent re-election. If a director is to continue to hold office after their ninth AGM, they must be re-elected by shareholders at each subsequent AGM. As the CEO's position as a director is linked to an executive office, the CEO is not required to stand for re-election.

Before each AGM, the board reviews the performance of each non-executive director who is standing for election or re-election and advises shareholders if it recommends their election or re-election. Our notice of meeting provides any material information that is relevant to the election or re-election of each director.

At our 2017 AGM, our Chairman Catherine Brenner, Patricia Akopiantz and Trevor Matthews will stand for re-election and Geoff Roberts, Mike Wilkins and Peter Varghese will stand for election. As stated in the 2017 notice of meeting, the board unanimously recommends that shareholders vote in favour of the re-election and election of these directors.

Peter Shergold, having served with distinction on the board for nine years, will retire from the AMP Limited Board at the 2017 AGM.

## Induction, education and access to information

Once appointed, all non-executive directors participate in a comprehensive induction program. This program includes meetings with the chairman, CEO and senior leaders on AMP's financial, strategic, operational and risk management position, and visits to AMP's key office locations. In 2016, the program was enhanced to include meetings with external industry experts to provide deeper insights on industry context and trends.

Board members receive regular briefings from senior management across the business and participate in site visits to AMP's operations. The board's program incorporates visits to offshore locations to enhance directors' industry knowledge and further develop our relationships with our strategic partners and regulators.

Each director also periodically attends board meetings of those key subsidiaries of which they are not a director. In addition, the board receives regular updates on developments in governance, regulatory, industry, accounting and capital management matters and meets with key regulators to enhance their working relationships and to promote mutual understanding of the issues that are faced by AMP and its regulators.

The board is committed to the continual enhancement of the capabilities of each director and the performance of the board generally. The board maintains an annual budget for these types of development activities. During 2016, the board introduced a structured program of activities for directors, outside of board meetings, linked to AMP's customer strategy. A number of board workshops were also held during 2016, covering areas such as risk appetite and board effectiveness.

With the consent of the chairman, directors may seek independent professional advice on AMP related matters that are connected with the delivery of their responsibilities, at AMP's expense. Directors must ensure the costs are reasonable and any advice that is received must be made available to the rest of the board unless otherwise agreed by the chairman.

Procedures and courses for the induction of management assist them in participating in decision-making at the earliest opportunity.

## Director independence

**The independence of our non-executive directors enables them to best serve our shareholders by providing objective opinions on the opportunities and risks that face our company.**

We value the important role that independent directors play in the governance of our company to ensure decisions are made in the best interests of shareholders.

The chairman and other non-executive directors hold meetings from time to time without management present. They may also meet independently with management at any time to discuss areas of interest or concern.

Prior to accepting any new non-AMP board or executive appointments, directors must discuss the proposed appointment with the chairman to ensure they can continue to act at all times in the best interests of AMP, exercise independent judgment and devote sufficient time to fulfil their obligations to AMP.

All directors must immediately disclose any actual or potential conflicts of interest that could impact their independence. In certain circumstances, directors will be required to abstain from participating in any discussion or voting on matters if they have a conflict or material interest.

All of our non-executive directors, including the chairman, satisfy the independence criteria recommended by the ASX Corporate Governance Council and prescribed by the Australian Prudential Regulation Authority. Directors regularly review their interests and each non-executive director formally confirms their independence annually.

Directors are considered independent if they are independent of management and free from any business or other relationship or interest that could materially interfere with, or could be perceived to materially interfere with, the exercise of their independent judgment and ability to act in the best interests of AMP and its shareholders. Materiality is assessed on a case-by-case basis having regard to each director's personal circumstances.

Several directors hold appointments with companies that are customers of, or suppliers to, AMP. None of these customer or supplier relationships are material to AMP as a whole. Further, these relationships are not considered to affect the director's independence as they are not directly involved in, nor do they materially benefit from, the provision of products or services between the two companies.

### Review of board, committee and director performance

The performance of the board, committees and directors is reviewed annually either through an internal review process or an external consultant. As stated earlier, reviews are also conducted for directors prior to their re-election at an AGM. Reviews of the chairman's performance are co-ordinated by the chairman of the People & Remuneration Committee.

During 2016, an external consultant was retained to undertake an independent review of the performance of the board, its committees and the directors. In conducting the review, the consultant:

- reviewed key documents relating to the operation and function of the board and its committees
- prepared a board performance survey for completion by each director and key management
- interviewed each director and key management, based on questions linked to the performance, opportunities and challenges for the board
- attended a board meeting to observe the board in operation.

Following this review, the consultant prepared a report of findings and recommendations for each director and for the board as a whole (including its committees). The consultant then met with each director individually and with the board to review the reports. The board subsequently used the reports to identify opportunities to enhance its own efficiency and effectiveness, particularly in relation to increasing focus on key strategic initiatives and reducing governance complexity.

To facilitate a period-on-period comparison of board performance in light of the findings and recommendations of the 2016 review, the same external consultant will undertake a review of board, committee and director performance in 2017.

Performance objectives and performance appraisals for key management personnel (who include the CEO and nominated direct reports of the CEO) are reviewed annually by the People and Remuneration Committee and recommended to the board. Further information on the evaluation of key management personnel performance in 2016 is set out in the remuneration report in the AMP 2016 annual report.

### Board committees

**The board is supported by four committees, each of which focuses in detail on different areas of the board's responsibilities and contributes to a strong governance framework.**

The board has four committees to assist in the execution of its responsibilities. The committees each consist of at least three non-executive directors and focus on different areas, considering issues and making recommendations or decisions as necessary.

Each committee has its own annual program and meets at least four times per year. Each program provides a high-level overview of items to be considered by the relevant committee during the year. The items covered include a range of matters that are aligned to each committee's core responsibilities, as described in the following table. Each program is continually reviewed to ensure it reflects the current needs of the committee and its responsibilities.

In 2016, the board enhanced the efficiency and effectiveness of committee meetings by introducing concurrent meetings of the Audit Committees and the Risk Committees of the board and the board of AMP Life Limited, with standalone meetings of each committee held as required for matters discrete to that committee.

Throughout 2016, all committee members were independent directors.

The board regularly reviews the membership of its committees, particularly as new directors join the board, to ensure they continue to have the optimum mix of skills and experience to support the board. Periodic changes to committee appointments allow directors to make different contributions to the board throughout their tenure.

Committee attendance records are included in the AMP 2016 annual report. You can find the terms of reference for each committee at [amp.com.au/corporategovernance](http://amp.com.au/corporategovernance).

	Audit Committee	Nomination and Governance Committee	People and Remuneration Committee	Risk Committee
<b>Membership as at 31 December 2016</b>	Geoff Roberts (Chairman) Holly Kramer Trevor Matthews Mike Wilkins	Catherine Brenner (Chairman) Patricia Akopiantz Peter Shergold	Patricia Akopiantz (Chairman) Catherine Brenner Vanessa Wallace	Peter Shergold (Chairman) Trevor Matthews Peter Varghese Vanessa Wallace Mike Wilkins
<b>Composition</b>	<ul style="list-style-type: none"> <li>At least three non-executive directors of the board, the majority being independent.</li> <li>Members should, between them, have the accounting and financial expertise and a sufficient understanding of the financial services industry to enable the committee to discharge its responsibilities effectively.</li> <li>The chairman must be independent and not be the chairman of the board.</li> </ul>	<ul style="list-style-type: none"> <li>At least three non-executive directors of the board, the majority being independent.</li> <li>The chairman must be independent.</li> </ul>	<ul style="list-style-type: none"> <li>At least three non-executive directors of the board, the majority being independent.</li> <li>The chairman must be independent and not be the chairman of the board.</li> </ul>	<ul style="list-style-type: none"> <li>At least three non-executive directors of the board, the majority being independent.</li> <li>Members should, between them, have the necessary technical knowledge and a sufficient understanding of the financial services industry to enable the committee to discharge its responsibilities effectively.</li> <li>The chairman must be independent and not be the chairman of the board.</li> </ul>
<b>Responsible for</b>	<ul style="list-style-type: none"> <li>Overseeing the integrity of the financial statements.</li> <li>Reviewing the effectiveness of AMP's risk management framework.</li> <li>Endorsing the appointment of the Director of Internal Audit and the external auditor.</li> <li>Monitoring the performance, adequacy and independence of the internal and external audit functions.</li> </ul>	<ul style="list-style-type: none"> <li>Reviewing the composition of the board and the boards of the key subsidiaries.</li> <li>Overseeing succession planning for the board and the boards of the key subsidiaries.</li> <li>Planning board, committee and director performance reviews.</li> </ul>	<ul style="list-style-type: none"> <li>Reviewing and endorsing the remuneration arrangements for certain executives and non-executive directors.</li> <li>Monitoring the effectiveness of AMP's strategies for executive succession, talent management and diversity.</li> <li>Endorsing AMP's remuneration policy.</li> <li>Reviewing or approving matters relating to AMP's key incentive plans.</li> </ul>	<ul style="list-style-type: none"> <li>Overseeing the implementation and operation of AMP's enterprise risk management framework.</li> <li>Monitoring and reviewing AMP's risk culture.</li> <li>Approving material risk management and compliance policies.</li> <li>Endorsing AMP's risk management strategy and risk appetite statement.</li> <li>Endorsing the appointment of the chief risk officer.</li> </ul>

## Company secretaries

AMP Limited has three board-appointed company secretaries. You can see their biographical details and qualifications in the AMP 2016 annual report.

The group company secretary has overall responsibility for the group secretariat function and is directly accountable to the board, through the chairman, on all matters to do with the proper functioning of the board. This includes advising the board and its committees on governance matters, coordinating board business and providing a point of reference for dealings between the board and management.

All directors have access to the advice and services of the company secretaries.

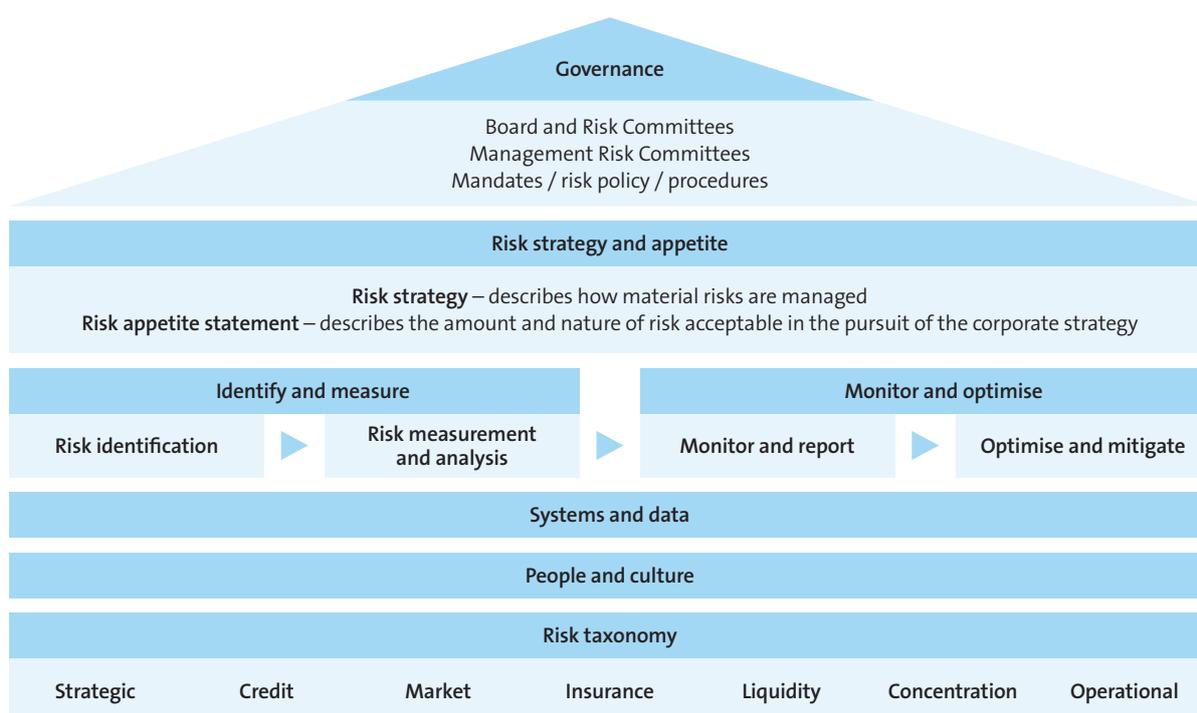
## Managing risks

Every day AMP monitors and manages risks to deliver sustainable growth, protect our business and our stakeholders' interests, and meet our legal and regulatory obligations.

Risk is inherent in our business and industry. As such, we take measured risks to achieve AMP's vision of 'helping people own tomorrow' and deliver sustainable value to our shareholders. Effective risk management supports informed decision-making and aids in capitalising on business opportunities to ensure strategic objectives are achieved. The board and management value effective risk management as fundamental to AMP's long-term sustainability and reputation. In addition, the board and management believe that effective risk management requires a risk-aware culture amongst all employees which in turn promotes risk-informed decision making.

### Our enterprise risk management framework

The enterprise risk management (ERM) framework provides the foundation for how risks are managed across AMP. There are five key elements of the ERM framework as below: governance, strategy and appetite, the risk management process, systems and data, and people and culture.



### Governance

The board is ultimately responsible for the ERM framework and oversight of its operation by AMP's management. In particular, the board is responsible for setting AMP's risk appetite, the strategic plan and risk management strategy. It also monitors policies and business practices to ensure that strategic objectives are achieved within AMP's risk appetite and to comply with applicable laws and regulations. The Risk Committee and board review the ERM framework at least annually, including for 2016, to satisfy themselves that it continues to be sound.

The board's oversight, review and monitoring of the effectiveness of risk management at AMP are supported by board committees and management committees. The Risk Committee oversees the implementation and operation of AMP's ERM framework and the risk culture within AMP. The Audit Committee assists by providing an objective non-executive review of the effectiveness of the ERM framework.

AMP also has management committees to assist in overseeing risk management. The Group Risk and Compliance Committee guides the implementation of risk management practices, processes and systems, and oversees all material risk exposures and risk decisions facing AMP. The Group Asset and Liability Committee oversees financial risks across AMP in relation to capital and financing, and the risk appetite as it relates to financial risk and shareholder capital.

The board and Risk Committee have been provided with assurance that all of AMP's material business risks have been effectively managed for the year ended 31 December 2016.

## Strategy and appetite

The risk appetite statement articulates the board's expectations of the amount and nature of risk AMP is willing to accept in the pursuit of its strategic objectives. AMP's risk management strategy provides an overview of how the ERM framework addresses material risks at AMP. The risk appetite statement and risk management strategy support the development of AMP's corporate strategy and ensure the impacts of the strategic objectives on the risk profile are within the board's risk appetite and will be effectively managed. The risks arising from setting the corporate strategy and risks to achieving the strategy are also identified and considered in relation to the board's appetite.

## Risk management process

AMP's risk management process articulates how AMP identifies, measures, monitors and optimises risks.

Risk identification is the process of determining which risks could potentially prevent the achievement of AMP's objectives. Risk assessments are conducted to measure the 'likelihood' of the risk occurring and the 'impact' it will have on AMP's business should it occur, taking account of the controls and structures in place to manage risk. Risks are monitored and reported to ensure any change in AMP's risk exposures is identified and managed. Depending on whether the risk is within the risk appetite, actions are taken to either optimise or mitigate the risk.

In an environment where the operating landscape is rapidly shifting, AMP has developed an emerging risk process to proactively identify and assess emerging risks and opportunities. Emerging risks and opportunities are defined as possible events which may occur but are not yet fully understood and have the potential to significantly impact AMP in the future. Selected emerging risks are chosen for deeper analysis and stress testing to assess the potential likelihood and impact, and to determine appropriate actions if necessary.

The risk management process and emerging risk process assist AMP in achieving its strategic objectives and reduce the impact of unexpected outcomes.

AMP also aims to integrate effective risk management into the remuneration framework throughout the organisation. Risk management is a key feature of our reward elements and a risk culture measure made up 10% of the 2016 short term incentive scorecard for executives. Further information on the board's approach to STI in 2016 is set out in the remuneration report in the AMP 2016 annual report.

## Systems and data

Access to robust systems and appropriate data is fundamental for supporting an effective ERM framework. Risk systems capture elements of the risk management process and measure the effectiveness of controls in managing risks. Our systems and databases monitor any changes in the potential impact or likelihood of current or emerging risks, ensuring that risks can be responded to and reported appropriately at all levels of the organisation.

## People and culture

AMP's risk culture framework defines risk culture as AMP's attitudes, values and behaviours towards risk management. Simply put, it is how we operate on a day-to-day basis. The board oversees and assesses AMP's risk culture through a combination of qualitative and quantitative metrics which include risk management practices, people and customer measures and engagement surveys. AMP recognises that a sound risk culture drives the right behaviour and conduct within an organisation and is committed to improving risk culture to keep pace with regulatory, customer and social expectations. As such, AMP focuses on embedding risk awareness into AMP's broader culture to ensure risk is effectively integrated into decision making.

In addition to a risk-aware culture, AMP is committed to maintaining an appropriately skilled and staffed ERM function to ensure there is a sufficient line of sight, access and input into key risk decisions. The ERM function also supports AMP by developing the ERM framework, policies and procedure to facilitate a consistent approach to the identification, assessment and management of risks.

## Material risks

AMP has identified seven material risks types that are managed to support the achievement of strategic objectives:

- **strategic risk** – the risk of loss or foregone value associated with strategic decisions and the competitive positioning of the business and ability to respond in a timely manner to changes in the regulatory, customer or competitive landscape
- **credit risk** – the risk of loss or foregone value due to default on a contractually required payment
- **market risk** – the risk of loss or foregone value due to adverse movements in market prices
- **insurance risk** – the risk of loss or foregone value due to mortality, morbidity, longevity, expense and changes to policyholder behaviour
- **liquidity risk** – the risk of loss or foregone value due to an inability to meet payment obligations or the need to sell assets at an undesirable price

- **concentration risk** – the risk of loss or foregone value due to multiple risks eventuating concurrently. Concentrations can arise from multiple or single debtors, market correlation, cross risk types or pandemics that impact many insured policyholders at the same time.
- **operational risk** – the risk of loss or foregone value resulting from inadequate or failed internal processes, people and systems or from external events. This includes adherence to internal policies and industry standards.

Within these risk types, the specific risks that AMP is exposed to are identified, measured, monitored and managed. Stress and scenario testing is performed periodically to assess the potential impacts and resilience to risk in stressed periods, such as the Global Financial Crisis. You can see a more detailed outline of AMP’s key risks in the AMP 2016 annual report.

### Environmental, social and governance risk

Failure to identify or address existing or emerging economic, environmental and social sustainability issues could result in reputational or financial loss. AMP continuously considers and improves on the ways in which economic, environmental and social sustainability is incorporated into our business operations, and this work is supported by a range of policies and processes:

- we have a duty to our community to minimise our impact on the environment, so we pursue a range of waste, energy and emission-reduction initiatives. These include energy efficiency measures through lighting updates and more flexible and efficient use of office space at AMP sites, working with contractors, landlords and service providers to increase waste recycling, reducing non-essential air travel and paper consumption, encouraging employee work practices that reduce environmental impacts, and encouraging suppliers to reduce the impacts of their products and services.
- AMP Capital, AMP’s asset management arm, has an in-house environmental, social and governance (ESG) investment research team which implements its commitment to the United Nations Principles for Responsible Investment by producing proprietary and thought-leading research that is integrated into AMP Capital’s investment decision-making and active ownership practices across all asset classes. The team’s ESG insights and company ratings influence investment guidelines and policies, research and analysis, proxy voting activities and engagement with company boards and management teams. It is important that companies that are selected for clients’ portfolios are well-governed. This is why AMP Capital actively engages with the boards and management teams of companies and uses its voting power to encourage corporate behaviour that is responsible and in the best interest of shareholders. Through this engagement AMP Capital encourages sound decision-making and risk management, appropriate capital allocation, good board composition, fair remuneration and open and honest disclosure.
- the AMP Foundation, AMP’s philanthropic arm, has a goal to create a better tomorrow for everyone, especially people who face challenges in accessing education and employment opportunities. The AMP Foundation supports non-profit organisations that give disadvantaged Australians life-changing learning and work opportunities. It also supports AMP employees and financial advisers to share their time, skills and resources with people in need, and backs Australians who are doing great things in the community through its AMP Tomorrow Fund grants. As noted on page one of this report, in 2016 the AMP Foundation distributed \$5.2 million to the community, including more than \$1 million in grants through AMP’s Tomorrow Fund to help 53 Australians achieve their goals.

You can find further information on AMP’s corporate sustainability at [amp.com.au/corporatesustainability](http://amp.com.au/corporatesustainability).

### How we manage risks

We have a ‘three lines of defence’ approach to risk management accountability:

**Line 1** – management is responsible for identifying, assessing, monitoring and managing material risks in the business. These teams are responsible for decision making and the execution of the day-to-day business, whilst managing risk and the resulting profit and loss to ensure it is in line with the board’s risk appetite and strategy.

**Line 2** – the Enterprise Risk Management team is responsible for designing, implementing and monitoring the practices and processes to identify, assess, monitor and manage material risks and provide advice and oversight on material business decisions. The team also provides objective advice and challenge to the first line’s decisions and provides assurance to the board that the risk profile is aligned with the board’s expectations.

**Line 3** – the Internal Audit team provides independent and objective assurance to the board on the operational effectiveness of risk management across the business and the effectiveness of our control processes.

### CEO and CFO assurance

The board receives regular reports about the financial condition and operational results of AMP and its subsidiaries. The CEO and the CFO provide the board with an annual declaration of their opinion that financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards. The declaration states the financial statements and notes give a true and fair view of the financial position and performance of the AMP and that their opinion has been formed on the basis of a sound system of risk

management and internal control which is operating effectively. This declaration is required by s295A of the *Corporations Act 2001* and is in accordance with ASX Recommendation 4.2, to assist the board in considering and approving AMP's financial statements for the period.

The CEO and the CFO provide a certification in similar terms in relation to the half-year financial statements.

### Internal audit

Our Internal Audit team provides the board and management with an independent and objective evaluation of the adequacy and effectiveness of the control over the risks for AMP and its subsidiaries. The team calls on support and advice from external experts as required.

To maintain independence, the Internal Audit team does not have responsibility for any of our business or risk management processes or practices. The director of Internal Audit has a reporting line to the chairman of the Audit Committee and regularly meets with the committee without management present. In line with the audit charter, an independent assessment of the Internal Audit team should be undertaken every four years to assess the effectiveness of the team and its compliance with international internal audit standards. This review was last performed in 2013 and showed the team was functioning well and effectively fulfilling its duties. The next independent review is expected to be completed in 2017.

### External auditor

AMP has appointed Ernst & Young (EY) as the company's external auditors with Tony Johnson currently leading the EY team responsible for AMP's audit. Tony took on the role of lead auditor in 2013. The lead auditor is required to rotate every five years unless special circumstances require this to be extended for additional years. Our Audit Committee has adopted a charter of audit independence, which sets out a framework to assist in maintaining the independence of EY as a result of its business dealings with AMP.

At each AGM, shareholders are given the opportunity to ask the lead auditor 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.

## Inclusion and diversity

**An inclusive and diverse workplace delivers better performance, so we have expanded our inclusion and diversity work and set ourselves challenging gender diversity targets for management, executive and board roles.**

We believe that an inclusive and diverse workplace delivers better results for our shareholders, customers, employees, business partners and communities.

Harnessing AMP's diversity is helping us create a company that is greater than the sum of its parts. Our customers are as unique as we are, and to truly understand and support them we are leveraging the strengths and skills of each and every one of our people.

We value different ways of thinking, and everyone is encouraged to share their thoughts and experiences to deliver better business decisions and solutions.

In May 2016, AMP ran its first ever inclusion and diversity survey. The survey was designed to understand the different ways in which our employees identify themselves, and how this may help or hinder their ability to give – and be – their best at work. The survey covered a broad range of topics including: gender; age; country of birth, ancestry and ethnicity; Indigenous identity; languages; industry experience; sexual identity; mental health; disability; relationships and care-giving responsibilities; and the need for flexible work.

Survey findings have helped AMP establish a baseline for demographic diversity and gauge the extent to which we broadly reflect our customer base. More importantly, however, they highlight areas of opportunity and provide a deeper understanding of some of the opportunities we have to help employees contribute to their full potential at AMP.

Following the survey findings, AMP will focus on flexible work as a key priority across all employee demographics. Inclusion remains the underlying foundation of our inclusion and diversity strategy.

AMP's four pillars of inclusion remain unchanged:

**Committed and inclusive leadership** – our leaders are supported to create an inclusive culture that helps people play to their strengths. In our 2016 employee engagement survey:

- 84% of employees said they feel supported to perform to the best of their abilities.
- 92% of employees said their manager genuinely supports equality between women and men, and 89% said their manager actively supports flexible working arrangements.
- 87% of employees said employees at AMP are treated fairly regardless of gender, age, ethnicity, race, disability, religion, sexual orientation or other differences.

**Merit-based policies and practices** – we focus on equality when we recruit, develop, promote and pay our people, as well as when we recognise and reward their performance. This includes having gender-balanced recruitment shortlists, developing female leaders, reviewing our pay and performance outcomes and providing policies and practices – like flexible work – that support all our people.

**Decision-making and voice** – we leverage the diverse thinking across our business to better understand our customers and meet their needs. We use a human-centred design approach to listen to the needs of our customers and to guide the design of our processes and products.

**Measurement, accountability and rewards** – we set challenging diversity targets and believe meeting these targets will deliver better results for our business. AMP also conducts an annual pay equity review to identify, analyse and address potential areas of inequity. This commitment is expressly outlined in AMP’s remuneration policy.

The CEO and Group Leadership Team make up the AMP Inclusion and Diversity Council and set the organisation’s goals and direction for inclusion and diversity. They are also responsible for inspiring our leaders and holding them to account. The People and Remuneration Committee is responsible for overseeing the implementation of our inclusion and diversity initiatives, and reporting key actions and progress to the Board. You can find our diversity and inclusion policy in the corporate governance section of the AMP website.

## Gender equality

AMP was honoured to be named an Employer of Choice for Gender Equality by the Australian Government’s Workplace Gender Equality Agency again in 2016.

Women currently hold 40% of AMP’s senior executive roles, which are typically one to four reporting layers below the CEO, and represent the top 8% of the organisation. This is in line with our 2016 target.

Women also hold around 41% of our middle manager roles, which tend to be four to six reporting layers below the CEO. These roles represent the next 24% of the organisation. As this is slightly behind target, the Group Leadership Team has committed to a number of actions to increase the representation of women at this level. These include ensuring more gender balance throughout the recruitment process, increasing leadership teams’ understanding of and commitment to our gender targets, and the proactive development and talent management of our female employees.

Overall, women make up 52% of our workforce.

We are also striving to increase the gender balance on our boards, with a 40:40:20 target now in place. This means by the end of 2020, we are aiming for positions on the AMP Limited and key subsidiary boards to be filled by 40% women, 40% men and 20% either women or men. Women currently fill 40% of positions on the AMP Limited Board, and we are proud to have appointed Catherine Brenner as AMP’s first female Chairman of the Board in 2016.

## Representation of women at AMP

Roles	2020 target (%)	2016 target (%)	31 December 2016 (%)	31 December 2015 (%)
AMP Limited Board	40	40	40	33
Senior executives	47	40	40	37
Middle management	50	42	41	39
All employees	n/a	n/a	52	52

## Acting ethically and responsibly

**AMP wants to create a better tomorrow for our customers, employees, business partners, communities and shareholders.**

Everything we do, every decision we make has an impact, not only on the long-term success of our business but also on the lives of our customers. We are committed to acting with professionalism, honesty and integrity so all our stakeholders know they can trust us to do the right thing. You can find copies of our corporate policies at [amp.com.au/corporategovernance](http://amp.com.au/corporategovernance).

## Code of conduct

Our code of conduct sets out the behaviour we expect of everyone who represents AMP. The code is supported by our employee policies, which govern the way we operate to best serve our customers and business and meet our legal and regulatory obligations.

## Diversity and inclusion policy

We believe a diverse and inclusive workplace will build a culture where diversity of thought is a competitive advantage, people and their ideas are respected, innovation is fostered and superior results are delivered for employees, customers, shareholders and communities. We are creating a diverse and inclusive working environment where high performing people choose to work.

## Environment policy

We are committed to creating shared value with the communities in which we operate and to working to build a more sustainable future. We are committed to finding ways to improve environmental performance, maximise resource efficiency and minimise our environmental impact.

## Market disclosure policy

We are committed to ensuring our shareholders receive clear, transparent and timely information about our business. Our market disclosure policy was comprehensively reviewed and revised in 2016 and outlines the processes we have in place to ensure we provide all shareholders with equal and timely access to material information about AMP.

## Political donations

AMP adopts a bi-partisan approach to politics and actively engages in conversations with the government, the opposition, backbenchers and local communities about contemporary and future financial issues and opportunities. AMP provides funding to The Menzies and Chifley Research Centres to support research into significant public policy issues in Australia. AMP also pays fees to attend events organised by political parties where those events allow for discussion on major policy issues with key opinion leaders and policy makers. We do this as part of our contribution to the development of public policy for the benefit of the Australian community and our customers. AMP publicly declares contributions to political parties consistent with the requirements of the Australian Electoral Commission. AMP does not make donations for political purposes.

## Trading policy

Our trading policy outlines rules for directors, senior executives, other specified employees and their close associates for trading in AMP securities. The policy is designed to protect the interests of all AMP shareholders and ensure all trades comply with the law.

We also have a separate hedging policy which provides that directors, senior executives and other specified employees who participate in our equity incentives plans may not use any form of hedging arrangement in relation to AMP shares or rights to shares.

## Whistleblowing policy

Our whistleblowing policy provides an avenue for our people to report suspected unethical, illegal or improper behaviour. AMP has an objective, independent and confidential process for reporting and investigating actual, suspected or anticipated improprieties. All disclosures are treated confidentially and can be made anonymously.

## Comparison of NZX and ASX corporate governance rules

As an NZX overseas listed issuer, AMP Limited is deemed to satisfy and comply with all the NZX Listing Rules so long as it remains listed on the ASX. The only NZX requirements applicable to AMP are to give the NZX the same information and notices it is required to give to the ASX and to include a statement to this effect in its annual report.

The ASX Listing Rules and the ASX Corporate Governance Principles and Recommendations may differ materially from NZX's corporate governance rules and the principles of the NZX Corporate Governance Best Practice Code. You can find further information about the ASX Corporate Governance Principles and Recommendations on the ASX website at [asx.com.au/regulation/corporate-governance-council.htm](http://asx.com.au/regulation/corporate-governance-council.htm).

## Compliance

We take seriously our responsibilities to all our stakeholders, including our shareholders, customers, employees and the community and place great importance on maintaining the highest standards of governance. This corporate governance statement is up to date as at 8 February 2017 and has been approved by the board. Throughout 2016, we complied with the third edition of the ASX Corporate Governance Principles and Recommendations and we continually review our governance practices to ensure we not only meet but exceed the expectations of the regulators and all our stakeholders.

You can find further information on our corporate governance policies and practices at [amp.com.au/corporategovernance](http://amp.com.au/corporategovernance).



## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

AMP Limited

ABN / ARBN:

ABN 49 079 354 519

Financial year ended:

31 December 2016

Our corporate governance statement for the above period above can be found at:

This URL on our website: [amp.com.au/corporategovernance](http://amp.com.au/corporategovernance)

The Corporate Governance Statement is accurate and up to date as at 8 February 2017 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date: 20 March 2017

Company Secretary authorising lodgement:

A handwritten signature in black ink, appearing to be 'David Cullen', written over a white background.

David Cullen



## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>		
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement (page 3). ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input checked="" type="checkbox"/> in our Corporate Governance Charter at <a href="http://amp.com.au/corporategovernance">amp.com.au/corporategovernance</a> .
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement (page 5) <input checked="" type="checkbox"/> all material information relevant to a decision on whether to elect or re-elect a director will be located in AMP's 2017 notice of meeting.
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement (pages 3 and 5).
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement (page 8) <input checked="" type="checkbox"/> in our Corporate Governance Charter at <a href="http://amp.com.au/corporategovernance">amp.com.au/corporategovernance</a> .
1.5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	... the fact that we have a diversity policy that complies with paragraph (a): <input checked="" type="checkbox"/> in our Corporate Governance Statement (pages 12-13). ... and a copy of our diversity policy: <input checked="" type="checkbox"/> at <a href="http://amp.com.au/corporategovernance">amp.com.au/corporategovernance</a> (Corporate policies section). ... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them: <input checked="" type="checkbox"/> in our Corporate Governance Statement (pages 12-13). ... and the information referred to in paragraphs (c)(1) or (2): <input checked="" type="checkbox"/> in our Corporate Governance Statement (pages 12-13).
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	... the evaluation process referred to in paragraph (a): <input checked="" type="checkbox"/> in our Corporate Governance Statement (page 7). ... and the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement (page 7).

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
1.7	A listed entity should: <ul style="list-style-type: none"> <li>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</li> <li>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</li> </ul>	... the evaluation process referred to in paragraph (a): <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement (page 7).</li> </ul> ...and the information referred to in paragraph (b): <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement (page 7).</li> </ul> Further information is set out in the Remuneration Report in the AMP 2016 annual report.
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>		
2.1	The board of a listed entity should: <ul style="list-style-type: none"> <li>(a) have a nomination committee which: <ul style="list-style-type: none"> <li>(1) has at least three members, a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, and disclose: <ul style="list-style-type: none"> <li>(3) the charter of the committee;</li> <li>(4) the members of the committee; and</li> <li>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings.</li> </ul> </li> </ul> </li> </ul>	... the fact that we have a nomination committee that complies with paragraphs (1) and (2): <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement (pages 7-8).</li> </ul> ... and a copy of the charter of the committee: <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> at <a href="http://amp.com.au/corporategovernance">amp.com.au/corporategovernance</a> (Board committees section).</li> </ul> ... and the information referred to in paragraphs (4) and (5): <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement (pages 7-8)</li> <li><input checked="" type="checkbox"/> in the Directors' Report in the AMP 2016 annual report.</li> </ul>
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	... our board skills matrix: <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement (page 5).</li> </ul>
2.3	A listed entity should disclose: <ul style="list-style-type: none"> <li>(a) the names of the directors considered by the board to be independent directors;</li> <li>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</li> <li>(c) the length of service of each director.</li> </ul>	... the names of the directors considered by the board to be independent directors: <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> at <a href="http://amp.com.au/aboutamp">amp.com.au/aboutamp</a> (board and management section)</li> <li><input checked="" type="checkbox"/> in the AMP 2016 annual report.</li> </ul> ... and the length of service of each director: <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> at <a href="http://amp.com.au/aboutamp">amp.com.au/aboutamp</a> (board and management section)</li> <li><input checked="" type="checkbox"/> in the AMP 2016 annual report.</li> </ul>
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement (page 4)</li> <li><input checked="" type="checkbox"/> in our Corporate Governance Charter at <a href="http://amp.com.au/corporategovernance">amp.com.au/corporategovernance</a>.</li> </ul>
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement (page 4)</li> <li><input checked="" type="checkbox"/> in our Corporate Governance Charter at <a href="http://amp.com.au/corporategovernance">amp.com.au/corporategovernance</a>.</li> </ul>
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement (page 6).</li> </ul>
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>		
3.1	A listed entity should: <ul style="list-style-type: none"> <li>(a) have a code of conduct for its directors, senior executives and employees; and</li> <li>(b) disclose that code or a summary of it.</li> </ul>	... our code of conduct or a summary of it: <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> at <a href="http://amp.com.au/corporategovernance">amp.com.au/corporategovernance</a> (Corporate policies section).</li> </ul>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>		
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings.	... the fact that we have an audit committee that complies with paragraphs (1) and (2): <input checked="" type="checkbox"/> in our Corporate Governance Statement (pages 7-8). ... and a copy of the charter of the committee: <input checked="" type="checkbox"/> at <a href="http://amp.com.au/corporategovernance">amp.com.au/corporategovernance</a> (Board committees section). ... and the information referred to in paragraphs (4) and (5): <input checked="" type="checkbox"/> in the AMP 2016 annual report, including the Directors' Report.
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement (pages 11-12).
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement (page 12).
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>		
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> at <a href="http://amp.com.au/corporategovernance">amp.com.au/corporategovernance</a> (Corporate policies section).
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at <a href="http://amp.com.au/corporategovernance">amp.com.au/corporategovernance</a> .
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement (page 2).
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement (page 2) <input checked="" type="checkbox"/> at <a href="http://amp.com.au/shares">amp.com.au/shares</a> .
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement (page 2).
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>		
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are	... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): <input checked="" type="checkbox"/> in our Corporate Governance Statement (pages 7-8).

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
	<p>independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings.</p>	<p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://amp.com.au/corporategovernance">amp.com.au/corporategovernance</a> (Board committees section).</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in the AMP 2016 annual report, including the Directors' Report.</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (page 9).</p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (page 9).</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>... how our internal audit function is structured and what role it performs:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (page 12).</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (pages 10-11).</p>
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>		
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings.</p>	<p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (pages 7-8).</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://amp.com.au/corporategovernance">amp.com.au/corporategovernance</a> (Board committees section).</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in the AMP 2016 annual report, including the Directors' Report.</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in the Remuneration Report in the AMP 2016 annual report.</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> at <a href="http://amp.com.au/corporategovernance">amp.com.au/corporategovernance</a> (Corporate policies section).</p>