

30 April 2018

## **AMP Chairman Catherine Brenner steps down from the Board**

### **Mike Wilkins appointed interim Executive Chairman**

AMP today announces Catherine Brenner has resigned as Chairman and will step down from the Board. Mike Wilkins has been appointed as Executive Chairman, effective immediately.

Mr Wilkins will lead the company as Executive Chairman for an interim period while the process for selecting a Chairman, and appointment of an additional new non-executive director, is conducted. This will further strengthen governance and ensure stability while a measured process of board renewal is undertaken. Mr Wilkins will now lead the selection process for a new Chief Executive Officer, which is in progress.

AMP also announces that Group General Counsel and Company Secretary Brian Salter will leave the company. His outstanding deferred remuneration will be forfeited as a result of the Board exercising its discretion.

The Board has received advice from Philip Crutchfield QC, Tamiaka Spencer Bruce of Counsel, and Tim Bednall of King & Wood Mallesons in relation to certain issues raised in the Royal Commission concerning the preparation of the Clayton Utz report on AMP's fee for no service issue. The advice follows the establishment of the Board Committee chaired by Mr Wilkins to examine the issues relating to AMP's advice business that have been raised in the Royal Commission.

Having considered and assessed the matters, the Board is satisfied that the former Chairman Catherine Brenner, former Chief Executive Officer Craig Meller and the other directors did not act inappropriately in relation to the preparation of the Clayton Utz report.

The Board, including the former Chairman, were unaware of and disappointed about the number of drafts and the extent of the Group General Counsel's interaction with Clayton Utz during the preparation of the report. The Board commissioned and received the report. It was not a matter for the Board's approval.

The Board announces the following further actions:

- Recognising collective governance accountability for the issues raised in the Royal Commission and for their impact on the reputation of AMP, the Board is reducing fees for all AMP Limited Board Directors by 25 per cent for the remainder of the 2018 calendar year; and
- The employment and remuneration consequences for the individuals within the business responsible for the fee for no service issue will be determined on finalisation of an ongoing external employment review, which is expected to complete shortly

Catherine Brenner said: “I am honoured to have been Chairman of AMP. I am deeply disappointed by the issues at hand and am particularly concerned for the impact they have had on our customers, employees, advisers and shareholders.

“As Chairman, I am accountable for governance. I have always sought to act in the best interests of the company and have been in discussions with the Board about the most appropriate course of action, including my resignation. The Board has now accepted my resignation as Chairman as a step towards restoring the trust and confidence in AMP.”

Mike Wilkins, Executive Chairman, AMP Limited said: “The Board acknowledges Catherine’s leadership and thanks her for her professionalism, integrity and dedication to the company over the past eight years. We will now begin a process of board renewal, including fast-tracking selection of a Chairman, and a new director. This process will help ensure stability and further strengthen governance.

“AMP respects the Royal Commission process. I can assure you that the evidence and submissions presented by Counsel Assisting are being treated extremely seriously by the Board. Appropriate steps are being taken to address the issues raised, and remediating our customers is being given utmost priority. On behalf of the Board, I reiterate our sincerest apology to our customers, and know we have significant work to do to rebuild their trust.”

AMP will be making a formal submission to the Royal Commission by Friday 4 May in response to the matters raised in closing submissions by Counsel Assisting the Royal Commission.

### **Mike Wilkins – biography**

Mike Wilkins was appointed to the AMP Limited Board and as a member of its Audit and Risk Committees in September 2016. In May 2017, he became Chairman of the Risk Committee. He was also appointed to the AMP Life Limited and The National Mutual Life Association of Australasia Limited Boards in October 2016.

Mike has more than 30 years’ experience in financial services in Australia and Asia in sectors such as life insurance and investment management. Mike has more than 20 years’ experience as CEO for ASX100 companies. Most recently, he served as Managing Director and CEO of Insurance Australia Group (IAG). He is the former Managing Director and CEO of Promina Group Limited and Tyndall Australia Limited.

Mike is a Fellow of Chartered Accountants Australia and New Zealand and is also a Fellow of the Australian Institute of Company Directors. Mike was made an Officer of the Order of Australia in 2017 for distinguished service to the insurance industry. 

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