18 February 2016

2015 full year results

Craig Meller, Chief Executive Officer
Gordon Lefevre, Chief Financial Officer

Executive summary

Financial performance

– FY 15 net profit of A$972m (FY 14: A$884m) and underlying profit of A$1,120m (FY 14: A$1,045m)

– 7% lift in underlying profit with continued growth in Australian wealth management, AMP Capital, AMP Bank and New Zealand

– Business recovery in wealth protection continues with a focus on long-term improvement; FY 15 results impacted by experience volatility in second half

– Disciplined management of controllable costs driving reduction in cost to income ratio; down 1 percentage point to 43.8%

– Capital position remains strong with surplus of A$2.5b; underlying RoE up to 13.2% from 12.7% in FY 14

Strategy

– Strategy execution providing early indications of long-term growth potential

  – Foundations in place to drive customer-centred transformation of core Australian business

  – Business efficiency program on track, with savings re-invested in growth initiatives

  – International profile of investment management business growing – with China joint ventures and infrastructure capabilities driving growth

Dividend

– Final dividend 14 cents a share, franked to 90%; FY 15 dividend 28 cents a share, up 8% on FY 14

– DRP neutralised with shares bought on market

FY 15 profit summary

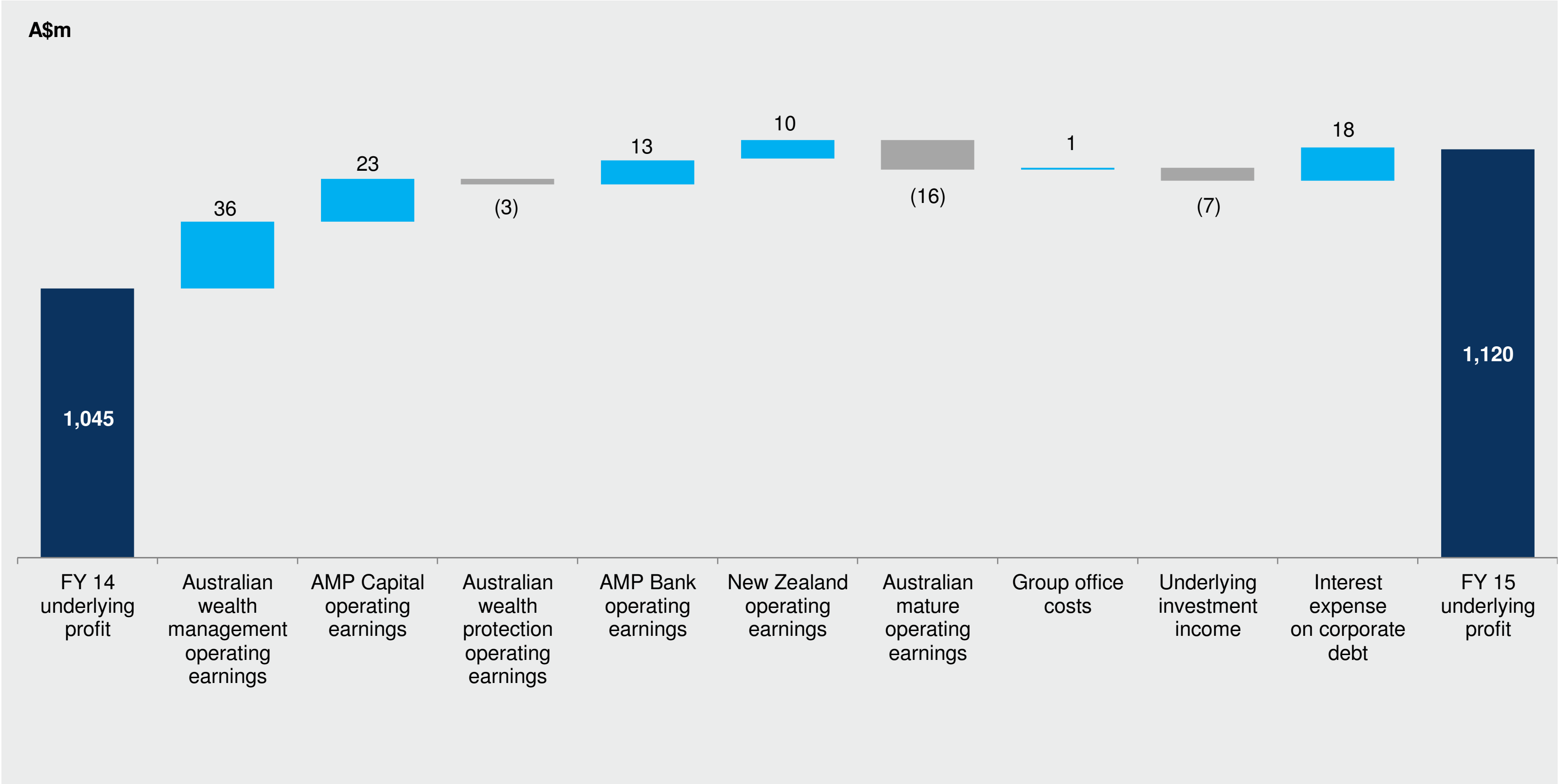
A$m	FY 15	FY 14	%
Australian wealth management	410	374	9.6
AMP Capital[1]	138	115	20.0
Australian wealth protection	185	188	(1.6)
AMP Bank	104	91	14.3
New Zealand financial services	120	110	9.1
Australian mature	158	174	(9.2)
BU operating earnings	**1,115**	**1,052**	**6.0**
Group Office costs	(61)	(62)	1.6
Total operating earnings	**1,054**	**990**	**6.5**
Underlying investment income[1]	125	132	(5.3)
Interest expense on corporate debt	(59)	(77)	23.4
Underlying profit	**1,120**	**1,045**	**7.2**
Other items	(3)	7	n/a
AXA integration costs	-	(20)	n/a
Business efficiency program costs	(66)	(100)	34.0
Amortisation of AXA acquired intangible assets[1]	(80)	(89)	10.1
Profit before market adjustments and accounting mismatches	**971**	**843**	**15.2**
Market adjustments[1]	45	59	(23.7)
Accounting mismatches	(44)	(18)	(144.4)
Profit attributable to shareholders of AMP Limited	**972**	**884**	**10.0**

Note

1. AMP Capital is 15% owned by Mitsubishi UFJ Trust and Banking Corporation (MUTB). AMP Capital results, and any other impacted line items, are shown net of minority interests.

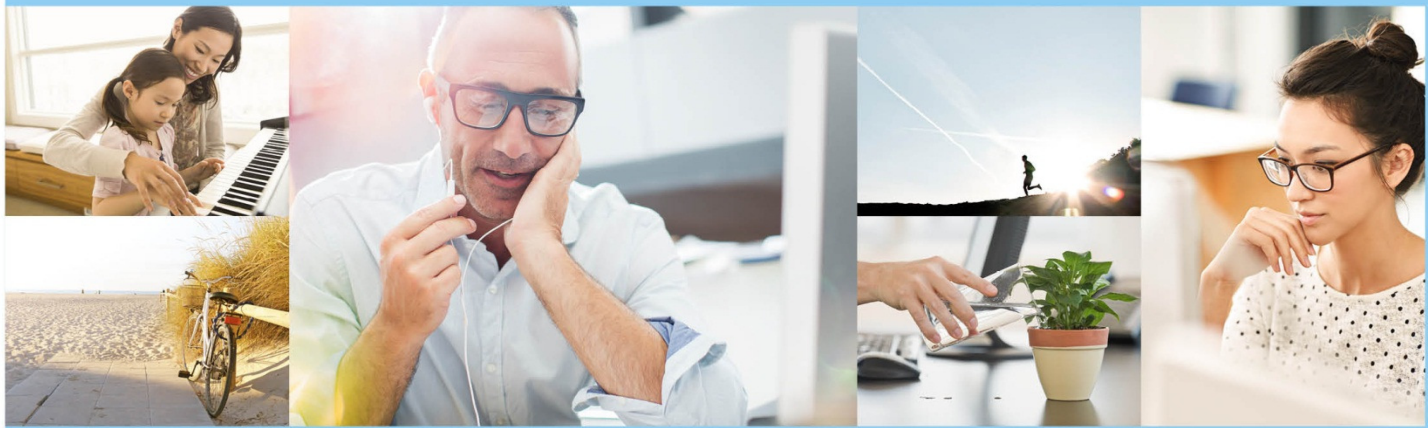
FY 15 movement in underlying profit

Growth momentum continues in challenging second-half markets



Business unit results

Section 2



Wealth management – overview

Underlying earnings growth reflects strong AUM growth and good cost control

Key performance measures	FY 15	FY 14
Operating earnings (A$m)	410	374
Controllable costs (A$m)	(498)	(512)
Total retail and corporate super net cashflows on AMP platforms (A$m)	3,784	3,616
Total net cashflows (A$m)[1]	2,213	2,281
Investment-related revenue to AUM (bps)[1,2,3]	112	117
Operating earnings to AUM (bps)[1,3]	36	36
Cost to income ratio	44.9%	47.7%

- 10% increase in operating earnings driven by strong AUM growth and disciplined cost management
- 10% increase in average AUM reflects strong cashflows and diversified investment mix
- Cost to income ratio reduced by 2.8 percentage points driven by growth in operating earnings and lower controllable costs
- Margin compression steady at 4.3% per annum – in line with guidance
- Operating margin steady at 36 bps despite revenue margin compression
- MySuper transitions on track – still expecting average margin compression of around 4.5% per annum through to June 2017; volatility possible from period to period
- Post MySuper transition, margin compression expected to reduce to longer-term average

Notes

1. Excludes SMSF.
2. Investment related revenue refers to revenue on superannuation, retirement income and investment products.
3. Based on average of monthly average AUM.

Wealth management – net cashflows

Resilient cashflows in more volatile markets

Net cashflows summary (A$m)	FY 15	FY 14
North[1]	4,494	5,530
AMP Flexible Super[1]	1,451	2,182
Other products and platforms[1]	(2,764)	(4,316)
Total retail on AMP platforms	**3,181**	**3,396**
SignatureSuper and Flexible Super (employer)	1,321	729
Other corporate superannuation[2]	(718)	(509)
Total corporate superannuation	**603**	**220**
Total retail and corporate super on AMP platforms	**3,784**	**3,616**
External platforms[3]	(1,571)	(1,335)
Total Australian wealth management	**2,213**	**2,281**

- Total net cashflows on AMP platforms up 5% driven by strong corporate super flows
- Flows from corporate super mandate wins totalled A$569m in FY 15 (A$171m in FY 14)
- Retail net cashflows impacted by effects of new regulation across industry, causing less movement of money within system
- Exit of Genesys practices reduced Australian wealth management net cashflows in FY 15 by A$648m
- Excluding impact of Genesys, wealth management net cashflows increased 27%

Notes

1. For details of platforms see p8 of FY 15 Investor Report.
2. Comprises CustomSuper, SuperLeader and Business Super.
3. Comprises Asgard, Macquarie and BT Wrap platforms.

AMP Capital – overview

Strong uplift in earnings reflecting AUM growth and performance fees

Key performance measures	FY 15	FY 14
Operating earnings (A$m)	138	115
Fee income (A$m)	583	512
Controllable costs (A$m)	(362)	(331)
Cost to income ratio	61.1%	63.0%
Total external net cashflows (A$m)	4,434	3,723
Average AUM (A$b)[1]	158.8	144.7

- 20% increase in operating earnings due to strong external net cashflows, AUM growth and increased performance fees
- FY 15 performance and transaction fees up 72% to A$62m as a result of strong performance in infrastructure funds
- Increase in controllable costs driven by continued international expansion, remuneration costs and adverse currency impacts
- FY 15 cost to income ratio remains within 60%-65% guidance range
- Average AUM up 10% due to strong external net cashflows and good investment returns from diverse asset mix

Notes

1. Based on average of monthly average AUM.

AMP Capital – net cashflows and investment performance

Strong growth momentum reflecting continued delivery against strategy

External net cashflows (A$m)	FY 15	FY 14
China	1,688	535
Japan	239	1,530
Domestic and other international	2,507	1,658
Total external net cashflows	**4,434**	**3,723**

Net cashflows (A$m)	FY 15	FY 14
Internal	(3,168)	(3,859)
External	4,434	3,723
Total net cashflows	**1,266**	**(136)**

Net cashflows

- Total external net cashflows up 19% driven by strong domestic flows to retail multi-asset and property funds and strong performances from China and infrastructure
- Strong cashflows from China Life Asset Management joint venture (CLAMP)[1] driven by 19 new product launches and flight to defensive assets during equity market volatility
- Cashflows from Japan reflect challenging market conditions; long-term growth potential remains with attractive market fundamentals and strong partnership with MUTB

Investment performance

- 82% of AUM met or exceeded client goals over 3 years to December 2015; 65% over 1 year to December 2015
- Good investment performance across the majority of retail funds demonstrating breadth of capability

Notes

1. AMP Capital holds a 15% stake in the CLAMP joint venture.

Wealth protection – overview

Performance impacted by volatility in second half; focus on business recovery continues

Key performance measures	FY 15	2H 15	1H 15	FY 14	2H 14
Profit margins (A$m)	196	100	96	187	99
Capitalised (losses) / reversals (A$m)	-	(1)	1	2	2
Experience profits / (losses) (A$m)	(11)	(13)	2	(1)	(4)
Income protection (IP) claims	(5)	(8)	3	22	11
Lump sum claims	(10)	2	(12)	(15)	(8)
Group claims	2	(1)	3	(18)	(5)
Lapses	0	(7)	7	9	1
Other	2	1	1	1	(3)
Operating earnings (A$m)	185	86	99	188	97
Individual risk API (A$m)	1,515	1,515	1,476	1,498	1,498
Individual risk lapse rate	13.7%	14.5%	13.0%	14.4%	14.8%
Cost to income ratio	34.3%	35.5%	33.3%	34.6%	33.6%

– 5% growth in profit margins on FY 14
– Continuing to embed new systems, processes and philosophy in IP claims – implementation taking longer than anticipated
– IP claims experience reflects volatility and ongoing impact of embedding new claims process
– Lump sum mortality assumptions strengthened for 2016
– 2H 15 lapse experience reflects seasonality and mix impacts
– Individual risk API remains subdued, reflecting continued focus on margin sustainability

Wealth protection – improvement plan update

Business recovery remains focused on building long-term strength and sustainability

FY 15 progress and key deliverables

Business recovery remains focused on three core initiatives:

1. **Claims and lapses**
   - Re-engineered IP claims systems, processes and philosophy using Human-Centred Design (HCD)
   - Rollout of new claims approach to lump sum (retail and group) scheduled for 2H 16
   - Good results from retention initiatives targeting customers with high propensity to lapse; program to be extended in 2016
2. **Capital management and efficiency**
   - Continue to review reinsurance – timing dependent on market conditions
   - Aligned with industry on advised retail remuneration reform – working to 1 July 2016 implementation
3. **New insurance offer**
   - New product designed and tested using HCD
   - Offer to be rolled out to new face-to-face advice model

Guidance

- FY 16 API growth is expected to remain subdued while the wealth protection business continues to target actions delivering value over volume
- Best estimate assumptions for IP claims have now reverted to longer-term levels in line with previous guidance
- Changes to best estimate lump sum claims assumptions expected to reduce future profit margins by around A$10m per annum from FY 16
- FY 16 best estimate lapse assumptions gradually reverting to a long-term rate of approximately 13.5% by FY 17

AMP Bank – overview

Strong earnings momentum continues

Key performance measures	FY 15	FY 14
Operating profit (A$m)	104	91
Controllable costs (A$m)	(66)	(56)
Cost to income ratio	30.6%	30.3%
Net interest margin	1.59%	1.41%
Residential mortgage book (A$m)	14,631	13,973
Deposits (A$m)	9,618	9,244
Return on capital[1]	16.5%	15.2%
Liquidity coverage ratio	146%	-

- 14% rise in operating earnings driven by expansion in net interest margin (up 18 bps)
- Overall mortgage book growth of 5% constrained by lower investment property lending
- New retail mortgage business from advisers steady at 24%
- Controllable costs increased due to continued investment in systems and processes to improve customer experience and support growth
- Strong liquidity and capital position, well above regulatory requirements
- Re-entered investment property lending market in Nov 2015; early indicators suggest no impact on long-term growth

Notes

1. Increase in return on capital in FY 15 was partly due to a capital return to the group of A$100m of common equity, following the on-lend of Additional Tier 1 capital from the AMP Wholesale Capital Notes issued in March 2015; for more details see p25 of FY 15 Investor Report.

New Zealand and Mature – key performance measures

Strong NZ performance reflects good experience profits and disciplined cost control

New Zealand	FY 15	FY 14
Profit margins (A$m)	98	88
Transitional tax relief (A$m)[1]	9	19
Experience profits / (losses) (A$m)	13	3
Operating earnings (A$m)	120	110
Net cashflows (A$m)	445	270
Individual risk API (A$m)	280	285
Individual risk lapse rate	11.9%	13.7%
Cost to income ratio	29.8%	32.6%

- Operating earnings up 9%, reflecting strong growth in profit margins and experience profits
- Learnings from Australian claims management transferred to help drive good experience outcomes
- Impact of transitional tax relief loss offset by broader revenue base and lower costs

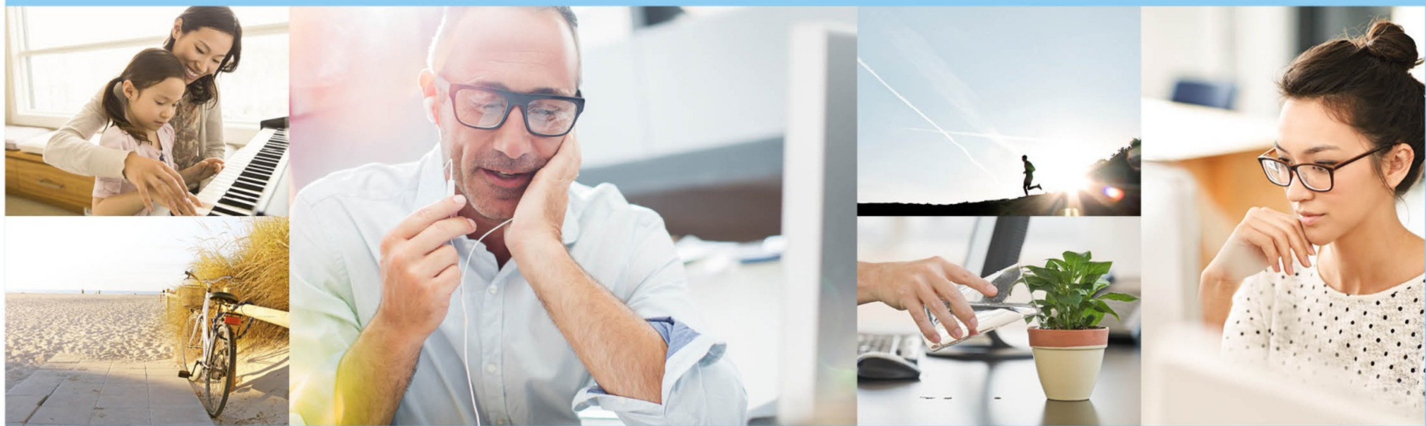
Mature	FY 15	FY 14
Operating earnings (A$m)	158	174
AUM (A$b)	21.9	22.3
Persistency	90.3%	89.2%
Controllable costs (A$m)	58	60
Cost to income ratio	19.0%	18.0%

- Operating earnings down 9% due to expected portfolio run-off, lower bond yields and continued impact of large one-off wholesale investor redemptions in 2H 14

Notes
1. Transitional tax relief reflects the benefit received prior to the effect of the change in life tax rules that applied from 1 July 2015.

Financial overview

Section 3



Financial overview – key points on P&L

A$m	FY 15	FY 14	% Change
Underlying profit	**1,120**	**1,045**	**7.2**
Other items	(3)	7	
AXA integration costs	-	(20)	
Business efficiency program costs	(66)	(100)	
Amortisation of AXA acquired intangible assets[1]	(80)	(89)	
Profit before market adjustments and accounting mismatches	**971**	**843**	**15.2**
Market adjustments[1]	45	59	
Accounting mismatches	(44)	(18)	
Profit attributable to shareholders of AMP Limited	**972**	**884**	**10.0**

Note

1. AMP Capital is 15% owned by Mitsubishi UFJ Trust and Banking Corporation (MUTB) and the business result, and any other impacted line items, are shown net of minority interests.

Financial overview – balance sheet and regulatory capital

Strong balance sheet with regulatory capital surplus above minimum regulatory requirements

A$m	FY 15	FY 14	% Change
Shareholder equity	8,623	8,346	3.3
Total corporate subordinated debt[1]	1,551	1,008	53.9
Total corporate senior debt[1]	250	450	(44.4)
Total capital resources[2]	**10,424**	**9,804**	**6.3**
Regulatory capital resources	3,844	3,650	5.3
Shareholder regulatory capital resources above MRR	**2,542**	**1,987**	**27.9**
Debt metrics and liquidity			
Corporate gearing	10%	10%	n/a
Interest cover (underlying)	20.0 x	14.6 x	37.0
Group cash (A$m)	373	270	38.1
Undrawn syndicated loan (A$m)	250	250	-

- Overall strong capital, corporate gearing ratios, interest cover and liquidity position
- During FY 15 AMP issued A$275m of AMP Wholesale Capital Notes, A$268m of AMP Capital Notes, and redeemed A$200m of senior debt (medium-term notes)
- The issuances were part of the ongoing capital efficiency plan ahead of the loss of transition arrangements on the A$600m AXA Notes subordinated debt, which AMP will redeem at their call date on 29 March 2016
- The majority (82%) of the funds from the issuances in FY 15 were on-lent to AMP Life, NMLA and AMP Bank as eligible capital, reducing AMP group's MRR
- Based on the proposed regulatory capital standards for conglomerate groups, AMP expects to meet the requirements with existing capital resources

Notes

1. For more detail see p28 of FY 15 Investor Report.
2. Shown after accounting mismatches, cashflow hedge resources and other adjustments. For more detail see p27 of FY 15 Investor Report.

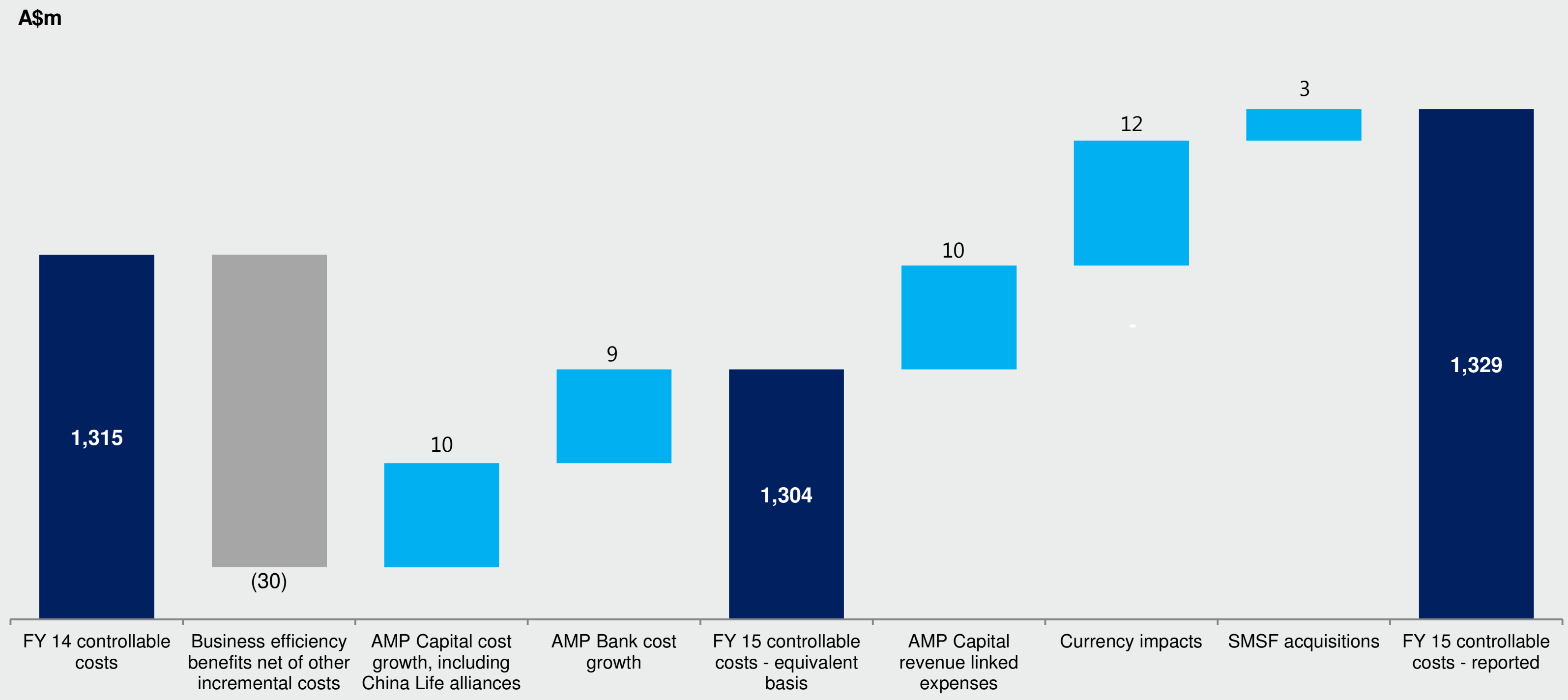
Financial overview – dividend

Increase in dividend reflects underlying earnings growth

- **Final 2015 dividend increased to 14 cents a share (from 13.5 cents a share final 2014 dividend), while franking increased to 90% (from 80%)**
- **Full year 2015 dividend 28 cents a share, up 8% on FY 14, representing full year payout ratio of 74% of underlying profit**
- AMP Limited target dividend payout ratio extended to 70% to 90% of underlying profit
- DRP will remain in place for eligible shareholders
- No discount will apply to the DRP allocation price. AMP intends to neutralise the impact of the DRP by acquiring shares on-market to satisfy any entitlements under the DRP

Financial overview – maintaining cost control

Benefits from business efficiency program offset underlying cost growth and increased investments



FY 15 total controllable costs of A$1,329m

– Business efficiency program on track

– Lower A$ adversely impacted international business costs

– AMP Capital cost growth primarily due to international expansion; AMP Bank cost growth due to capacity and capability build; both businesses delivered double digit earnings growth in FY 15

– FY 16 controllable costs expected to grow at approx 3.5% incorporating:

  – 3% underlying cost growth

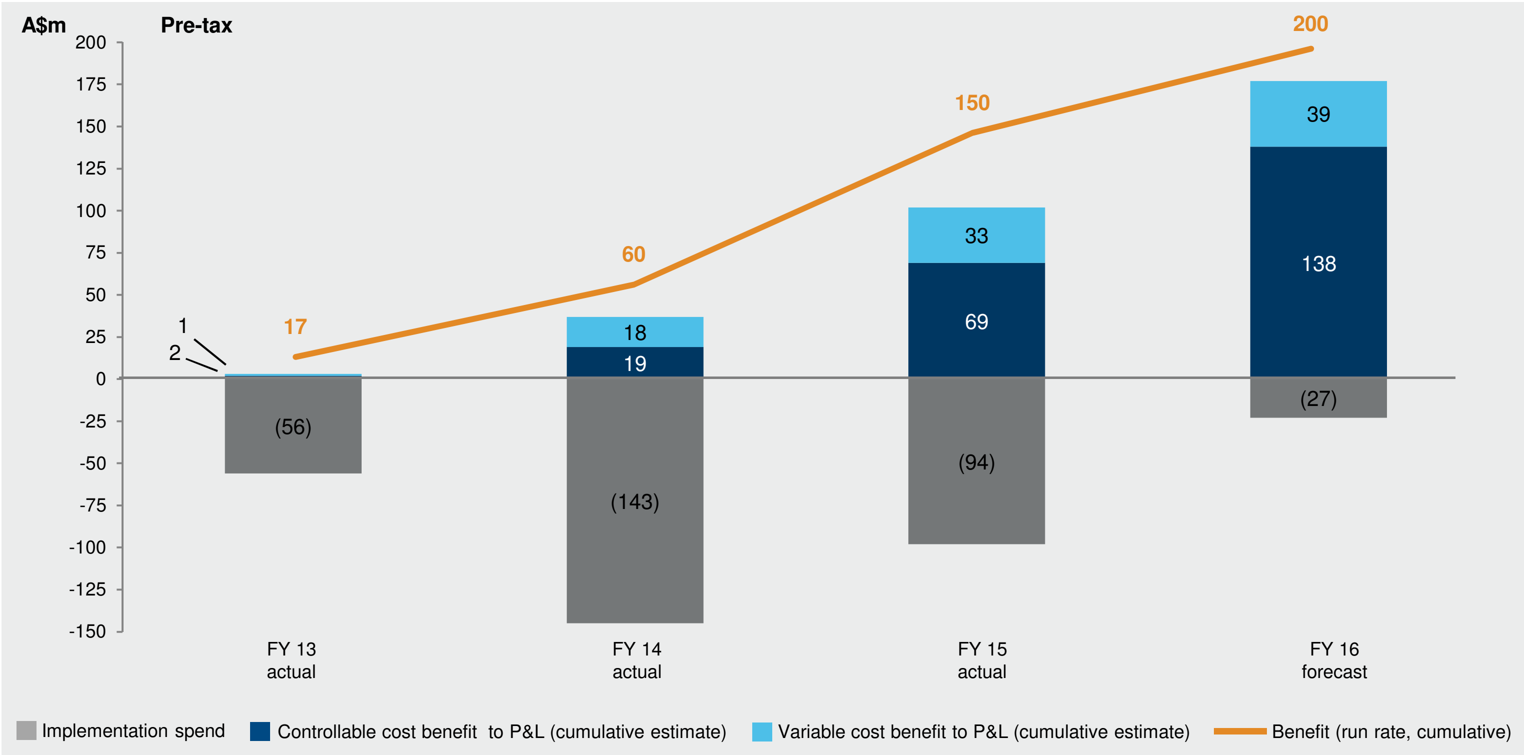
  – approximately A$35m impact from consolidation of SMSF businesses acquired at the end of FY 15

  – cost growth in AMP Capital (including China Life alliances) of approx 10% reflecting variable performance-based remuneration and growth initiatives

  – expected business efficiency benefits of A$69m

Financial overview – business efficiency program

Efficiency program benefits on track to deliver A$200m pre-tax run rate savings by end 2016



- Program delivering to plan; majority of planned initiatives completed or underway
- No change to FY 16 run rate forecast or delivery profile
- No change from prior guidance regarding benefit emergence
- Early delivery of benefits has been used to accelerate investments in transformation initiatives
- One-off program costs of A$320m pre-tax over 3 years funded through existing capital surplus and future retained earnings

Financial overview – business efficiency program

Core initiatives largely completed with final benefits to be delivered in FY 16

Achievements to date	FY 16 priorities
Streamlined organisational structure Moved to efficient, customer-focused operating model while instituting significant cultural change	**Ongoing organisational review** Continue to review business-wide operating model to ensure most efficient management structures, spans and layers
Improved & consolidated IT infrastructure Transitioned to cloud based storage, decommissioned legacy reporting systems and moved legacy platforms onto North's contemporary technology	**Further IT efficiencies** Renegotiate and reconstruct IT service agreement with core vendor to deliver more cost-efficient services to AMP
Outsourced and automated back office processes Transitioned selected back office processes to offshore business partner and increased automation of support services	**Drive further process automation** Automate standard and complex processes in Australia and with offshore business partners
Consolidated externally managed funds Consolidation leading to reduced asset management pay-away and lower customer pricing	**Further consolidation benefits** Complete the migration and rationalisation of sub-scale product platforms

Strategy update

Section 4

Growth strategy on track

Consistent execution of strategy delivering strong platform for future growth

Strategic priorities

1. Prioritise investment in A$2.6tr[1] Australian wealth management market by **building on leading market positions to capture growth** as superannuation industry doubles in size by 2026[2]

2. Transform core Australian business **to centre on customer**, driving stronger revenue growth from target segments to remain relevant in a fast changing world

3. Reduce costs to maintain **market-leading efficiency** and reinvest in new customer solutions

4. Invest selectively in **Asia and internationally**, primarily through AMP Capital, by building national partnerships (China and Japan) and leveraging increased global demand for our investment capabilities in infrastructure, property and fixed income

Notes

1. Australian Bureau of Statistics Managed Funds Report, Managed Funds Industry, September 2015.

2. *Dynamics of the Australian Superannuation System - The next 20 years: 2015-2035*, Deloitte Actuaries & Consultants, November 2015; and AMP modelling.

Creating a contemporary, customer-centric business

Key priorities	Progress to date	2016 focus and initiatives
Build a customer goals-oriented enterprise	– Customer testing built conviction in organisation-wide goals-based approach – Four priority goals identified	– Solutions design underway for all priority goals; offers to be deployed through new advice model
Build the face-to-face advice model of the future	– Built innovative, face-to-face advice experience focused on customer goals – Positive learnings in 5 pilot sites	– Extend pilots in up to 30 practices – Reduce cost to serve through automation of back-end processes

Diversify customer channels	– Transformed digital capabilities and experience:
	  – Delivered integrated banking and wealth platform, mobile and tablet apps, new website and content management system
	
	– Core infrastructure in place to enable seamless omni-channel experience:
	  – New customer and data analytics system deployed
	  – New customer interactions engine deployed; facilitating targeted campaigns and next best offer/ conversation across digital, call centre and adviser channels
		– Continuous improvement in online experience
		
		– Move to scale and realise benefits
		– 20 campaigns in testing 1H 16

Deliver superior customer experience	– Deployed customer feedback and measurement system across 122 teams – Established organisational capabilities in Human-Centred Design (HCD) and Behavioural Economics (BE)	– Feedback driving customer experience innovation and improvements – HCD and BE core to new offer design
Continue to fix and transform insurance business	– Business recovery continues – focused on 3 core initiatives (refer chart 11)	– Refer to chart 11
Drive growth from AMP Bank	– Build on growth momentum through mortgage broker and adviser channels	– Strengthen foundation capabilities to facilitate growth
Drive growth from SMSF	– Acquisitions of controlling interests in SuperIQ, SuperCorp and Just Super delivered control of value chain and increased scale – Now provides c38,000 funds with admin and software services; market leader in SMSF admin with 16,130 funds under administration – SMSF platform offers competitive product set; AMP-branded products selected by trustees exceeded A$100m at FY 15	– Continue top-line growth while driving scale benefits

Investing selectively in international growth

Key priorities	Progress to date	2016 focus and initiatives
Build partnership with national champions	**China Life AMP Asset Management (CLAMP)**[1] – Now managing RMB 70b AUM (A$14.8b) for Chinese retail and institutional investors – AMP Capital's share of net cashflows up to RMB 7.9b (A$1.7b) in FY 15, from RMB 2.6b (A$0.5b) in FY 14 – Launched 19 new mutual funds in FY 15, including money market, fixed income, balanced and equity funds – Business profitable and performing ahead of expectations **China Life Pension Company (CLPC)**[2] – Total AUM grew 35% to RMB 301b (A$63.7b) in FY 15 – No.1 in trustee services (29% market share) and No.2 in investment management (12% market share) by AUM – Business profitable and performing ahead of expectations **MUTB and other distributors – Japan** – Now managing A$7.1b for clients in Japan – MUTB business alliance now offers 13 retail and 4 institutional funds, with A$1.8b in FUM – Long-term fundamentals and growth opportunity remain, despite current market conditions; growth potential underpinned by strong relationship with MUTB	– Deepen partnership with China Life by broadening areas of cooperation – Working with MUTB to address market challenges and consider proposals to enhance the alliance
Capitalise on international investor demand for infrastructure, property and fixed income	– Now managing A$16.7b for international investors – Includes A$6.8b for 142 international institutional clients (up from 119 at FY 14) – Launched Infrastructure Debt Fund III (IDFIII) – Attracted A$645m in commitments to Global Infrastructure Fund (GIF) from investors across Asia, Europe and North America – Acquired additional stake in Angel Trains and now own a majority of one of the UK's leading train leasing specialists on behalf of clients – A$5b Australian property development program has attracted strong support from international and domestic investors – Major redevelopments underway at Pacific Fair Shopping Centre (Gold Coast), Sydney's 200 George Street and Warringah Mall; and planned at Macquarie Town Centre (Sydney), Garden City Booragoon (Perth) and Karrinyup Shopping Centre (Perth) – Quay Quarter Sydney development application approved	– Close GIF after reaching US$1b+ in commitments – Target US$2b in commitments to IDFIII – Complete redevelopment of Pacific Fair, Queensland's largest shopping centre

Notes
1.AMP Capital holds a 15% stake in the joint venture.
2.AMP holds a 19.99% stake in the joint venture.

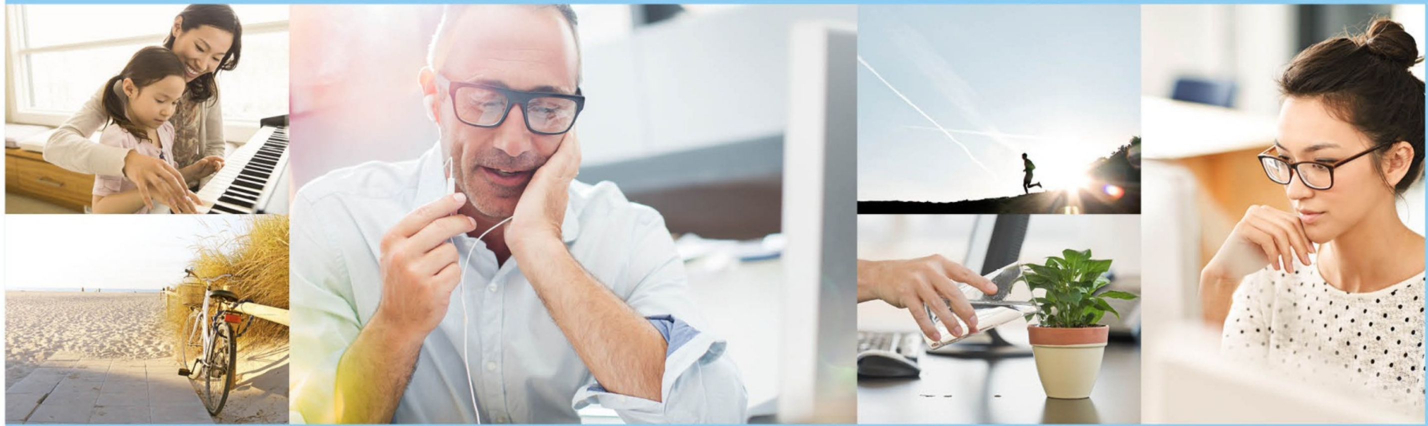
Summary

Continued growth momentum and resilience in volatile second-half markets; delivery of long-term strategy providing early indicators of growth

- Continued momentum in Australian wealth management, AMP Capital, AMP Bank and New Zealand
- Wealth protection business recovery continues – initiatives designed to ensure long-term sustainability
- Strategy execution providing early indications of long-term growth potential
  - Foundations in place to drive customer-centred transformation of core Australian business
  - Business efficiency program on track, with savings re-invested in growth initiatives
  - International profile of investment management business growing – with China joint ventures and infrastructure capabilities driving growth
- Balance sheet remains strong, with surplus capital of A$2.5b
- Final dividend 14 cents a share, franked to 90%

Appendix

Section 5



Guidance summary

Costs

- FY 16 controllable costs are expected to grow at approx 3.5% incorporating:
  - 3% underlying cost growth
  - approximately A$35m impact from consolidation of SMSF businesses acquired at the end of FY 15
  - cost growth in AMP Capital (including China Life alliances) of approx 10% reflecting variable performance-based remuneration and growth initiatives
  - expected business efficiency benefits of $69m
- Expect business efficiency program pre-tax costs of A$27m in FY 16
- Business efficiency program estimated cumulative controllable cost benefit to P&L of A$138m in FY 16 (see chart 19 for estimated variable cost savings)
- Amortisation of acquired AXA intangibles of approx A$79m in FY 16 (post-tax)
- AMP Capital targeting cost to income ratio at lower end of 60%-65% range over medium term

Wealth management

- As MySuper plan transitions have now commenced, average margin compression of around 4.5% per annum is expected through to June 2017; may be volatile from period to period
- Post the MySuper transition period, margin compression is expected to reduce to the longer-term average

Wealth protection

- FY 16 API growth is expected to remain subdued while the wealth protection business continues to target actions delivering value over volume
- Best estimate assumptions for IP claims have now reverted to longer-term levels in line with previous guidance
- Changes to best estimate lump sum claims assumptions expected to reduce future profit margins by around A$10m per annum from FY 16
- FY 16 best estimate lapse assumptions gradually reverting to a long-term rate of approximately 13.5% by FY 17

Mature

- Expected to run off between 4%-6% per annum; in volatile investment markets this run-off rate can vary substantially

Dividend policy

- Target payout ratio of 70%-90% of underlying profit

Conglomerate Standards

- Regulator has released planned final capital standards for conglomerate groups but deferred implementation to allow for any potential changes that may result from the Financial System Inquiry recommendations and the Government’s response to them. The regulator is yet to propose changes or finalise an implementation date but has committed to providing a minimum 12 months’ transition time before any new standards come into force
- Expect to be compliant with the requirements when implemented. Based on standards in their current form, expect to meet additional capital requirements from within existing capital resources

Regulatory environment

Development	Impacts / Issues	AMP position
Future of Financial Advice reforms	– Best interests duty – Opt-in statements for customers – Fee disclosure statements	– Support FOFA reforms
Life insurance remuneration reform – ASIC review of retail life insurance advice – October 2014 – Trowbridge report - March 2015 – Government & industry response - June 2015 – Draft legislation - December 2015	– Significant changes to adviser life insurance remuneration	– Aligned with industry timeframe and position – Supporting Financial Services Council and Association of Financial Advisers to implement reforms
Senate Inquiry into Scrutiny of Financial Advice – Inquiry commissioned Sep 2014 – Hearings ongoing – Report delayed from 1 February 2016 - now due August 2016	Scope – Current level of consumer protections – Role of, and oversight by, regulatory agencies – Compensation mechanisms – Mechanisms to ensure breaches are transparent – Response of industry participants to misconduct – Enhanced Financial Adviser Register	– AMP appeared before the Senate Committee in August 2015 and demonstrated our commitment to our customers
Financial System Inquiry – Government response to recommendations in October 2015 – Implementation will take place over next two years – Draft legislation on adviser professional standards released December 2015	Recommendations – Potential new retirement incomes products – Government response to Parliamentary Joint Committee recommendations to increase advice professional standards – Competition and governance of super industry measures	– Support view that current system, including MySuper, needs time to bed down – Support competition and choice for all super members – As one of leading players in retirement incomes, supports further development of retirement income products
Australia's tax reforms – Change in leadership has opened Government tax debate – Timing uncertain but likely to be announcements in the May Budget and pre-election lead-up	Scope – To undertake a review of Australia's taxation system including GST, super and post-retirement taxation settings – There is significant speculation that there will be changes to taxation of super – ALP has released policy to tax super earnings	– Participating in Government and industry consultation process

Important disclaimer