



Dear Shareholders

The past fortnight has undoubtedly been difficult for AMP. We have apologised unreservedly for the misconduct and failures in regulatory disclosures in the advice business in Australia.

We are now beginning the necessary action to restore your confidence, and the confidence of customers, advisers and the wider market.

Today we have announced that Catherine Brenner has resigned as Chairman and will step down from the Board. In the announcement, Catherine explained that as Chairman, she was accountable for governance and wanted to act in the best interests of the company. The Board acknowledged Catherine's leadership and thanks her for her professionalism and dedication to the company.

For an interim period, I will lead the business as Executive Chairman while the process for selecting a Chairman and appointment of an additional new, non-executive director is conducted. As Executive Chairman, I will also lead the selection process for our new Chief Executive Officer, which is already in progress.

We have also announced that Group General Counsel 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. As we recently announced, the Board established a Committee, that I chair, to examine issues in the Australian advice business raised during the Royal Commission.

Having considered and assessed the matters, the Board is satisfied that

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 recognises collective governance accountability for the issues in the Australian advice business. As such, fees for all AMP Limited Directors will be reduced by 25 per cent for the remainder of the 2018 calendar year.

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.

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.

The Board is deeply disappointed by the unacceptable behaviour in our advice business in Australia and has apologised unreservedly. We are absolutely focused on moving forward and restoring your trust and confidence.

Regards

Mike Wilkins