# Investor day

30 November 2021

AMP acknowledges the Traditional Custodians of the land on which we meet and the Custodians of the lands from which you are all joining us today.

We pay our respects to Elders, both past and present and we extend that same respect and recognition to all First Nations Peoples.

# Agenda

1 Demerger update

2 AMP Limited strategy

**Alexis George**
Chief Executive Officer

**BREAK**

3 PrivateMarketsCo overview and strategy

**Shawn Johnson**
Chief Executive, AMP Capital

**BREAK**

4 Financials

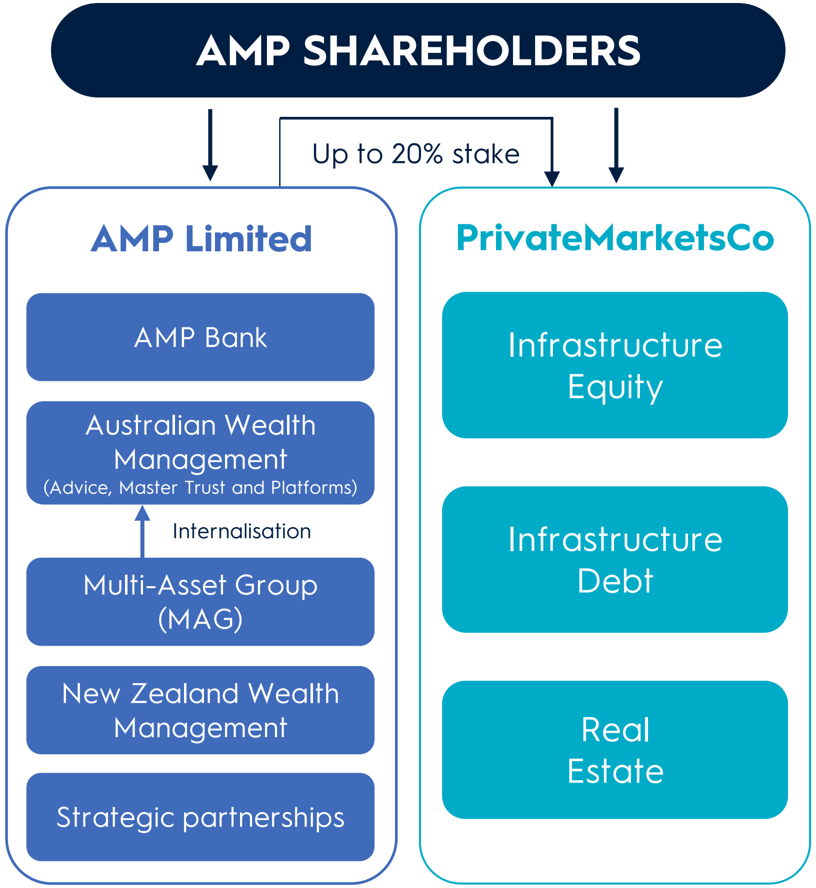
**James Georgeson**
Chief Financial Officer

5 Q&A

# Demerger update

# Separating into two new, more focused businesses

## Different clients and geographies, different cultures and growth trajectories




## AMP LIMITED

**Australia and New Zealand diversified wealth manager with retail customer base**

- AUM of A$131.2 billion[1]
- 1.54m customers (majority retail)
- 1H 21 NPAT underlying of A$148 million[2]

## PRIVATEMARKETSCO

**Global private markets manager with international institutional client base**

- AUM of A$50 billion[3]
- 492 institutional clients
- 1H 21 NPAT underlying of A$33 million[4]

Notes:
All figures as at 30 June 2021 unless stated otherwise
1. AUM as at 1H 21. Excludes PrivateMarketsCo AUM and CLAMP AUM to be transferred from AMP Capital.
2. Adjusted NPAT includes A$28m earnings contribution from the transfer of MAG and CLAMP from AMP Capital (effective 1H 22).
3. 1H 21 infrastructure and real estate AUM. Excludes committed capital yet to be deployed.
4. Includes real estate, infrastructure equity and infrastructure debt earnings.

# Setting up for long-term growth

## Demerger rationale

**AMP Limited and PrivateMarketsCo will benefit from:**

Enhanced ability to focus on core businesses, and new market opportunities

Simplified operating models and an ability to drive greater efficiencies

Direct access to capital markets to support growth

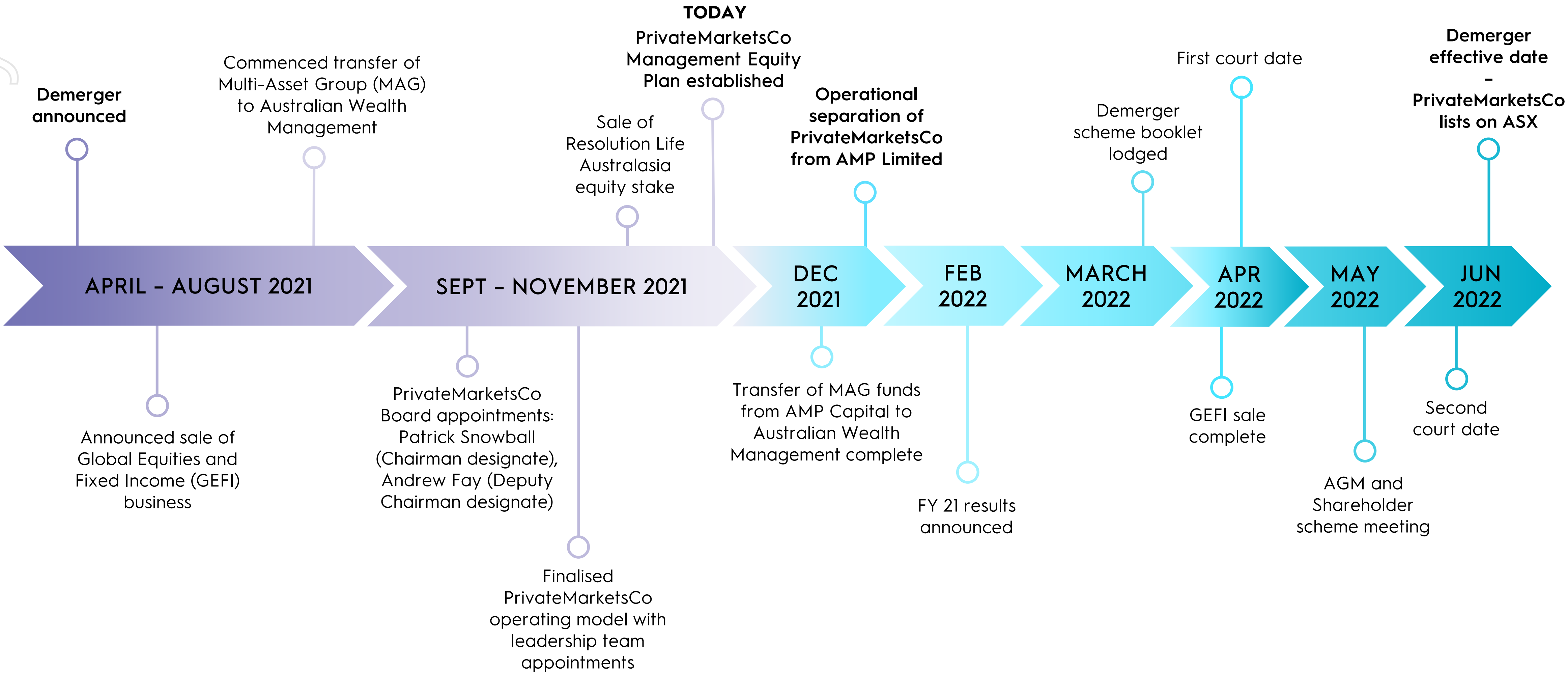
Agility to pursue growth opportunities – organic and inorganic

Strengthened ability to attract and retain clients and talent

Focused and independent management teams in each business

# Demerger progress

## Operational separation on track for end of 2021; demerger in 1H 22



# AMP Limited strategy

# The path to the new AMP

## Substantial progress made simplifying AMP and addressing legacy matters but more to do

### Number of existing programs completed or nearing completion by end of 2021

- AMP Life sale completed in June 2020; agreed to sell final stake in November 2021
- Core bank system simplified and modernised; now positioned for growth
- Aligned advice network reshaped and contemporary licensee terms announced
- Sold AMP Advice (employed network) into minority joint venture
- Master Trust and MySuper products repriced
- On track to achieve A$300m cost out program by FY 22 (A$260m to be delivered by FY 21)
- Retained AMP Capital Wholesale Office Fund (AWOF) management rights

### Demerger and core simplification projects will complete in 2022

- Demerger of PrivateMarketsCo
- Completion of AMP Life separation; transitional services agreement to end mid-2022
- Full operational transition of Multi-Asset Group (MAG) to Australian Wealth Management
- Global Equities and Fixed Income (GEFI) sale
- Reset balance sheet with legacy matters addressed

# Key market trends impacting AMP

## Landscape significantly changed over past three years; more change to come

### Key market trends and opportunities

- Significant shift in number and nature of market participants
- Downward pressure on margins across the broader financial services market
- Ageing population driving demand for new retirement products
- Increasing automation, digitisation and use of data to tailor solutions and better understand and serve customers
- Continuing need for accessible and affordable advice
- Regulatory changes and supervision driving higher compliance costs

### Levers for future success

- Competitive and compelling customer propositions
- Scale and differentiation will be required to win in chosen segments
- Ongoing need to further simplify legacy products, systems and processes
- Digital and data capabilities to help know customers and provide services most needed
- Leverage partnerships to expand capabilities and meet customer and market demands

# Path to new AMP

## Streamline portfolio with a relentless focus on customers

**REPOSITION**

- Invest to grow AMP Bank
- Grow the North platform, building new relationships with external financial advisers
- Deliver stable earnings and optimal client outcomes in Master Trust and NZWM
- Accelerate the transformation of Advice

**SIMPLIFY**

- Execute the demerger
- Redefine and right-size the operating model for agility and efficiency
- Continue to review portfolio of assets to ensure AMP is the right owner
- Enhance shareholder value through disciplined capital management

**EXPLORE**

- Establish direct-to-consumer solutions in selected areas
- Develop leading position in retirement
- Explore adjacent new business models (organic and inorganic)

### Key enablers

**PURPOSE AND CULTURE** | **BRAND, REPUTATION AND ESG** | **DIGITAL AND DATA CAPABILITY** | **RESPECT RISK**

# Reposition

# We are repositioning our businesses

## Key drivers influencing strategic direction



### AMP Bank

- Customers' increasing reliance on brokers
- Digital capabilities becoming table stakes
- Longer term trend toward digital channels

### New Zealand Wealth Management

- KiwiSaver remains voluntary with low contribution levels
- Property is dominant asset class
- Margin and earnings under pressure

### Australian Wealth Management

#### Platforms

- Monoline platforms driving competition
- Adviser trends: fewer, focus on High Net Worth (HNW); move away from networks to External Financial Advisers (EFA)[1]
- Ageing population driving need for retirement solutions

#### Master Trust

- Your Future Your Super / performance tests / stapling
- Competitive pricing and superior service environment
- Ageing population driving need for retirement solutions
- Shift to direct-to-consumer channel
- Requires scale to compete effectively

#### Advice

- Fewer advisers in current market; focus on HNW
- Current cost of advice not accessible to everyday Australians
- Cross-subsidisation needs to be eliminated
- Technologies emerging to assist with compliance and engagement

Note:
1. Meaning they are not part of an aligned network

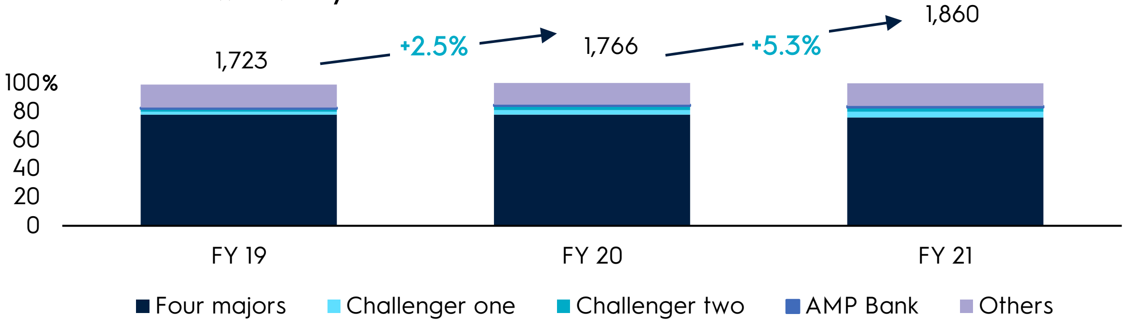
# AMP Bank

## Market position and customer breakdown

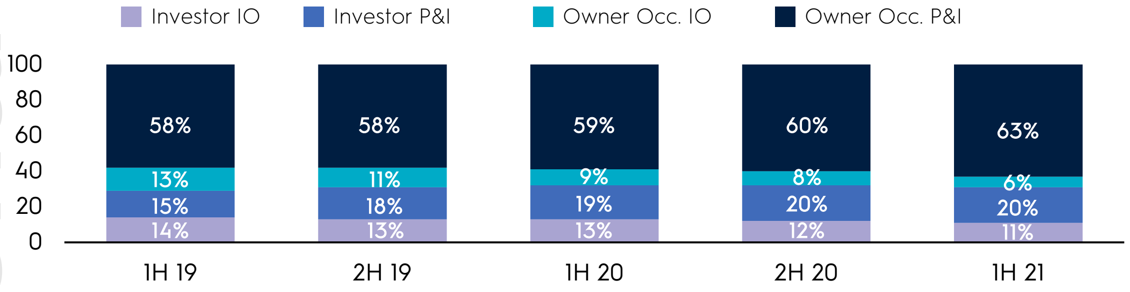
Reposition | Simplify | Explore

## Australian mortgage market by loan book[1]

Australia loan size (A$bn)
AMP Bank Growth vs System 1.0x

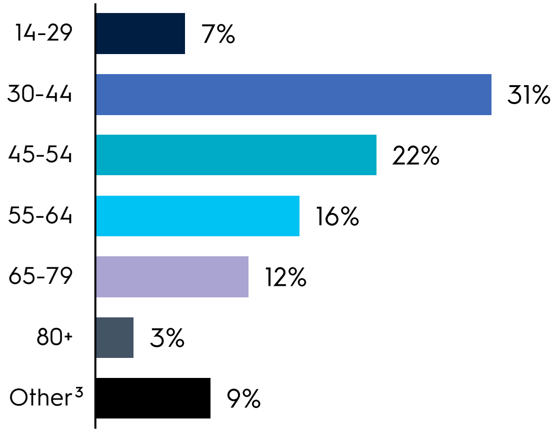



## AMP Bank Interest only vs Principal & Interest

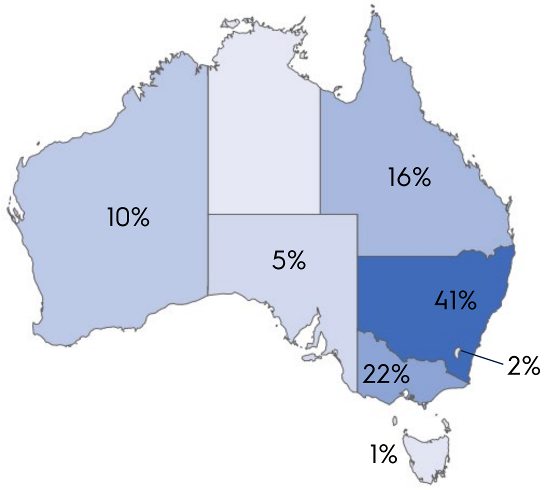



## 157,000 AMP Bank customers

AMP Bank - Customers by age[2]




AMP Bank - Customers by State[2]




Notes:
1. APRA Monthly ADI Statistics July 2021
2. Source: AMP Bank, Figures may not total due to rounding
3. Other refers to joint account holders across different age brackets

# AMP Bank

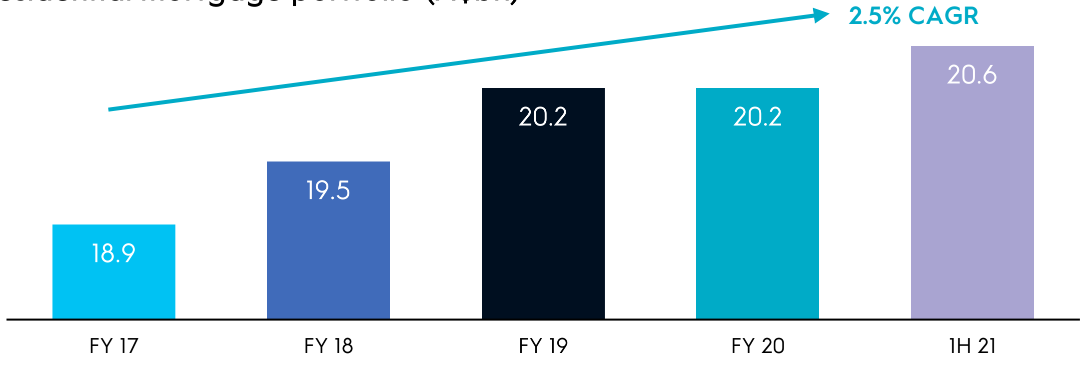
## Build on mortgage and deposits growth from past 18 months

Reposition | Simplify | Explore

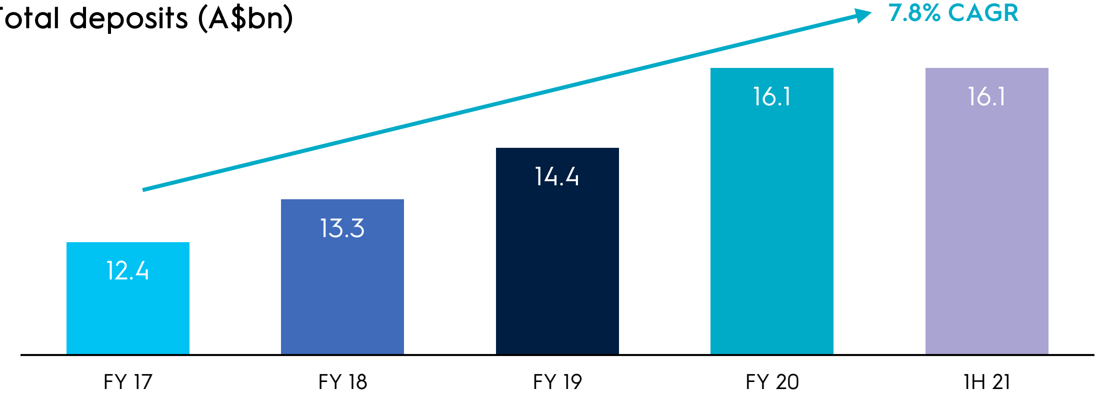
### Progress to date

- ✓ Simplified Bank platform architecture and modernised core system, delivering ~35% improvement in productivity
- ✓ Increased capacity in home loan origination by 70%, ~85 loan applications per day
- ✓ Consistently ranked Top 5 by Brokers due to ongoing enhancements to application process
- ✓ 75% improvement in automated credit decisioning rate, resulting in faster, more consistent approvals (>60% Auto Credit Decisioning)
- ✓ Expanding BDM salesforce as part of strategy to win in markets outside of NSW
- ✓ 16% increase in Direct-to-Bank lending settlements in 1H 21
- ✓ Business momentum recaptured with strong second half residential loan growth above system (~1.5x system)
- ✓ Net Interest Margin (NIM) well-positioned but expected to reduce in 2H 21

Residential mortgage portfolio (A$bn)




Total deposits (A$bn)



# AMP Bank: Invest to grow

## Building technology-enabled service experience

Reposition | Simplify | Explore

### Our strategy

- Optimise Customer Value Proposition (CVP) and align our offer, policy and service to it
- Become service experience-led for both customers and brokers
- Deliver step-change improvements in lending origination capacity and experience, leveraging technology investments:
  - Further digitise and automate lending platform, with a focus on first touch approval, including the ongoing enhancement of Auto Credit Decisioning (ACD)
  - Leverage Open Banking opportunity to streamline and simplify customers' ability to switch to AMP Bank
- Establish digitally-enabled direct channel, including improved digital capability for existing customers (eg: self-service, real time payments)
- Leverage improvements in efficiency to continue delivery of strong cost-to-income ratio
- Enhance AMP Bank brand as part of AMP brand campaign to uplift awareness and consideration

### Targeted outcomes through to FY 24

**Improve customer *Time to Yes* for mortgage approval by ~30%** in FY 22

**Consistent Top 3 ranking in Broker Experience Survey**

**Maintain Deposit to Loan ratio (>75%)**

**Capture ~4% of broker market flows** up from 2% in FY 21

**Growth at 2-3x system, leading to ~50% increase in mortgage loan book** up from A$21b in FY 21

**20% of new business flows from Direct channels** by FY 24

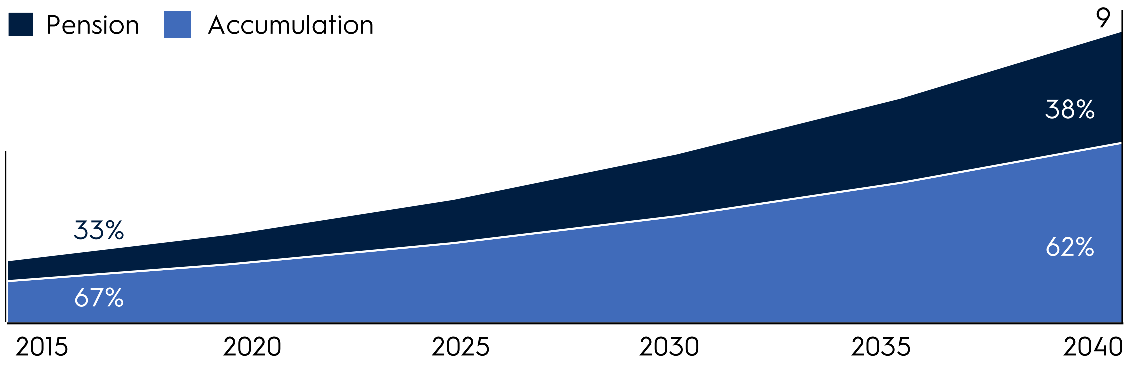
**Optimise NIM** while driving above system growth

# Key trends driving Australian Wealth Management

## Wealth shift to decumulation

Superannuation system is maturing, decumulation increasing

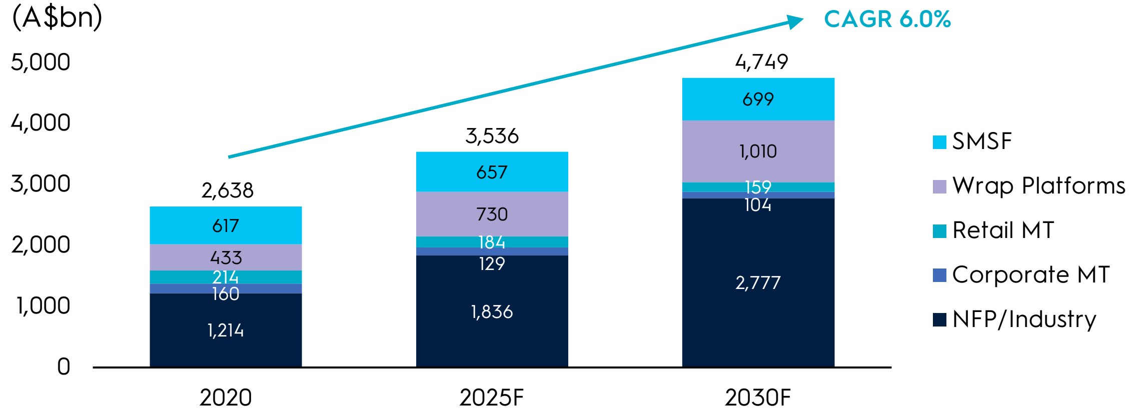
Total super FUM projections 2015-40F
(A$t)




## Platforms and NFPs fastest growing segments

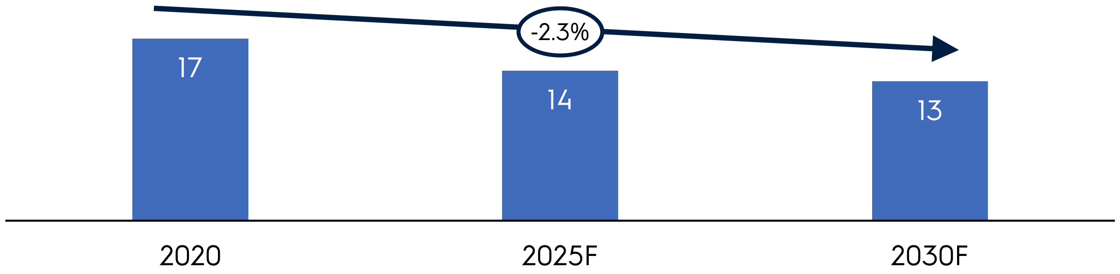
Platforms a growth segment (specialist platforms rising)

Wealth Market FUM June 2020-2030F
(A$bn)



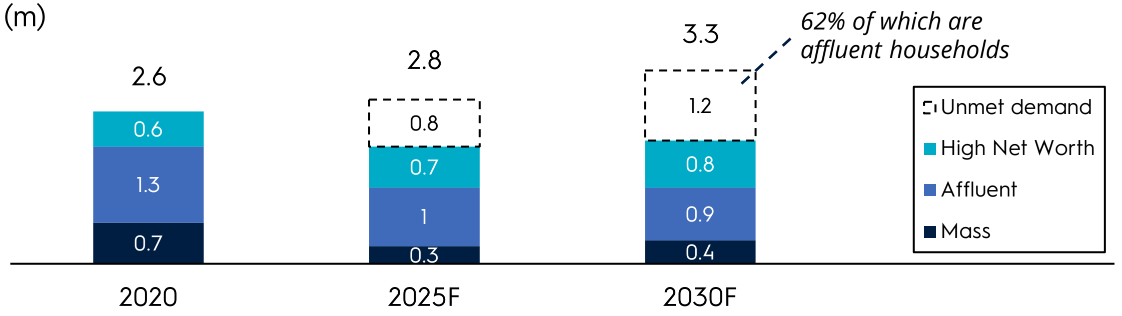

## Adviser numbers decreasing

Number of Productive Advisers June 2020-2030F
('000s)




## Demand for advice is increasing

Adviser Capacity in Number of Households June 2020-2030F[1]
(m)




Notes:
1. High Net Worth: A$1m+, Affluent: A$300k-A$1m, Mass: <A$300k; Figures assume equilibrium in 2020 – no changes to productivity or price in forecasts
Source: AMP Wealth Market Diagnostic (March 2021); Plan for Life; ABS; NMG Consulting Super Funds Review (2020)

# We are transforming Australian Wealth Management

## From a vertically integrated wealth model to a competitive, contemporary wealth model

Reposition | Simplify | Explore

| | From | To |
|---|---|---|
| **Platforms** | Platform focused on **aligned adviser distribution, multiple legacy products** and underinvestment in capability | **Market competitive platform** targeting both **aligned and external advisers** with **innovative retirement solutions** |
| **Master Trust** | Product focused and relying on **aligned adviser distribution** and **Corporate Super channel** | **Competitive product** (delivering great member outcomes) **focused on multi-channel growth** including consumer direct |
| **Advice** | Focus on **distributing related party products** heavily subsidised by product profitability | A **professional service provider** to quality financial advice practices (transitioning to sustainable, standalone P&L) |

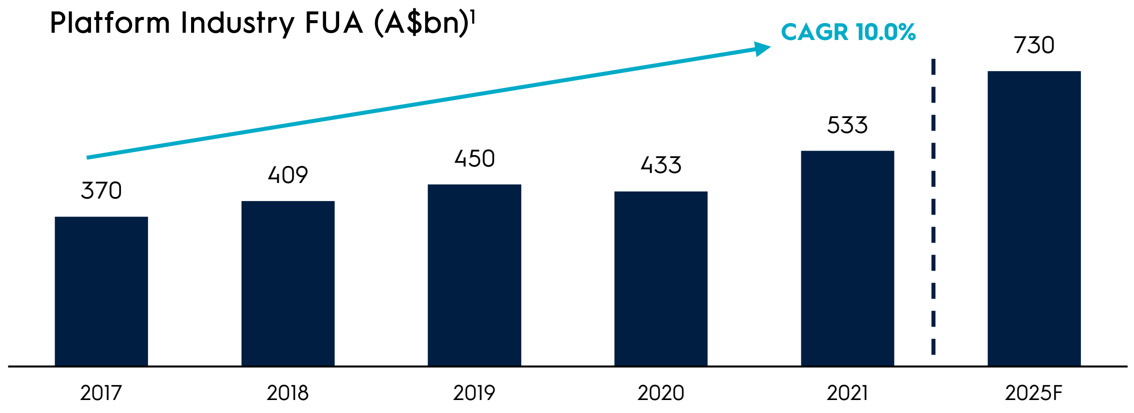
# Australian Wealth Management: Platforms

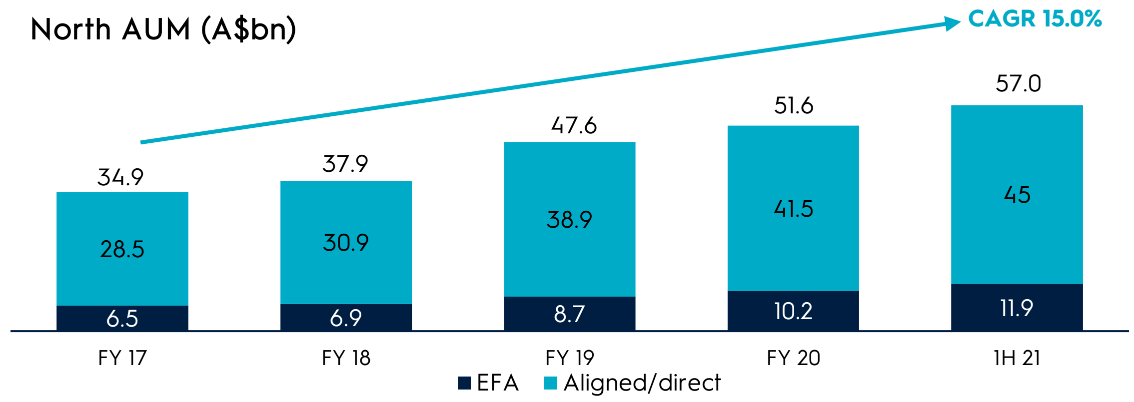
## Material progress in past 18 months to deliver double-digit growth

Reposition Simplify Explore

### Progress to date

- ✓ MyNorth continues strong growth with >10% AUM growth in 1H 21
- ✓ Managed portfolios growing rapidly to A$4bn by FY 21, more than doubling in the last 12 months
- ✓ Launched Equity Managed Portfolios in Q4 21 with 23 new portfolios from 10 leading investment managers
- ✓ Completed MyNorth repricing in Q3 21, delivering some of the most competitive fees in market
- ✓ Launched new series of MyNorth Guarantees, offering guaranteed and non-guaranteed investments
- ✓ 20 options added to MyNorth investment menu, strengthening and expanding investment choice for clients and advisers
- ✓ New leadership team focused on end-to-end operational performance and strategy execution




Notes:
1. Source: Plan for Life (product split); NMG report; AMP Platform Strategy workshop; J.P. Morgan analyst report; Bain analysis

# Grow North platform, build EFA relationships

## Australian Wealth Management: Platforms

Reposition | Simplify | Explore

### Our strategy

- Transform administration and specialised support services to top quartile position and grow EFA segment
- Deliver enhanced digital experience and functionality to enable advisers and empower customers with new self-service offering
- Differentiate with innovative retirement solutions through an ecosystem approach
- Simplify current suite of wrap products to improve efficiency and retention, creating further scale
- Enhance and optimise investment offers via MAG capability
- Reposition with standalone "North" brand

### Targeted outcomes through to FY 24

**Deliver market-leading retirement solutions** on Platform in FY 22

**Top quartile platform,** as rated by Investment Trends by FY 24

**Migrate legacy products such as Summit** by FY 23

**Grow faster than system** through to FY 24

**Increase EFA inflows** from A$1.2b to A$3.8b in FY 24

# Australian Wealth Management: Master Trust

## Master Trust simplification delivering strong results for members

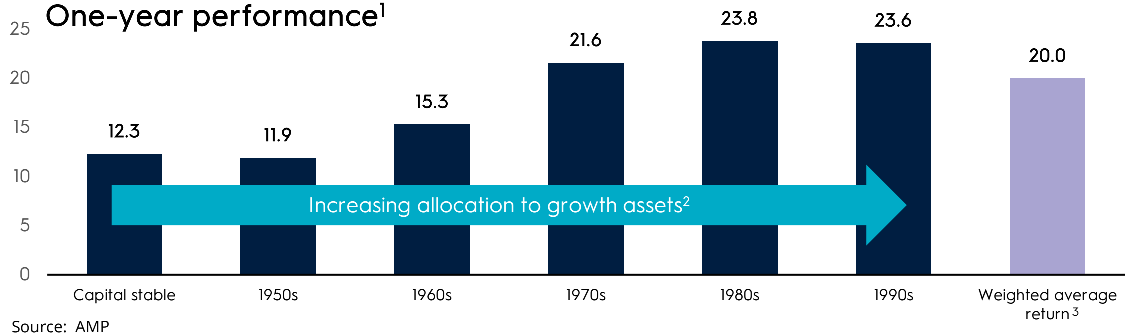
Reposition | Simplify | Explore

### Progress to date

- ✓ Material simplification delivered over the last two years including impact from AMP Life sale
- ✓ Simplified investment menu
- ✓ Step-change to contemporary pricing and book
- ✓ An estimated ~A$125m p.a. reduction in member fees over the past 18 months
- ✓ Reduced pricing to remain competitive on MySuper (8% decrease) and Choice products (29% decrease) in October 2021
- ✓ MySuper Lifecycle fund delivered average return of 20% for members[1] in twelve months to 30 June 2021
- ✓ Improved service with significant NPS uplift (+14) to +39 in 12 months to October 2021

| | 2019 (pre-Life sale) | 2020 (post-Life sale) | Today |
|---|---|---|---|
| Trustees | 2 | 1 | 1 |
| Super funds | 6 | 1 | 1 |
| Product admin systems | 9 | 2 | 2 |
| Products | ~70 | 11 | 3 |
| Investment options | ~150 | ~130 | ~50 *(in plan)* |

MySuper Lifecycle returns (%)
One-year performance[1]




Source: AMP

Notes:
1. Performance as at 30 June 2021. Investment option returns are calculated from changes in the unit price of the investment option and are after the deduction of fees, costs and superannuation fund earnings tax included in the unit price. Past performance is not a reliable indicator of future performance.
2. Younger members have higher exposure to growth assets including shares, property and infrastructure.
3. Average return weighted by AUM, including member fees.

# Optimise client outcomes in competitive environment

## Australian Wealth Management: Master Trust





### Our strategy

- Finalise reset of business to address back book to front book issues
- Embed our asset management capability including MAG to deliver strong investment performance and simplified structure
- Explore partnership opportunities to drive capabilities, scale and efficiencies, with lower capital investment
- Build data driven, digital direct acquisition channel
- Reactivate and reposition for corporate super pipeline opportunities

### Targeted outcomes through to FY 24

| | |
|---|---|
| **2Q investment returns, consistently above Annual Performance Test benchmarks** | **20% reduction in controllable costs by FY 24** |
| Partnering to drive efficiency | **Positive net cash flows** by FY 24, supported by improving brand and reputation |

# Australian Wealth Management: Advice

## Transforming legacy model to be competitive in a new era of advice

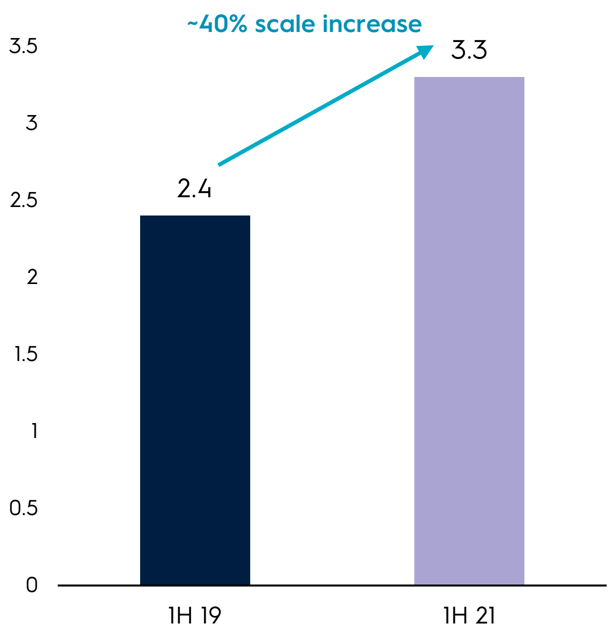
Reposition | Simplify | Explore

### Progress to date

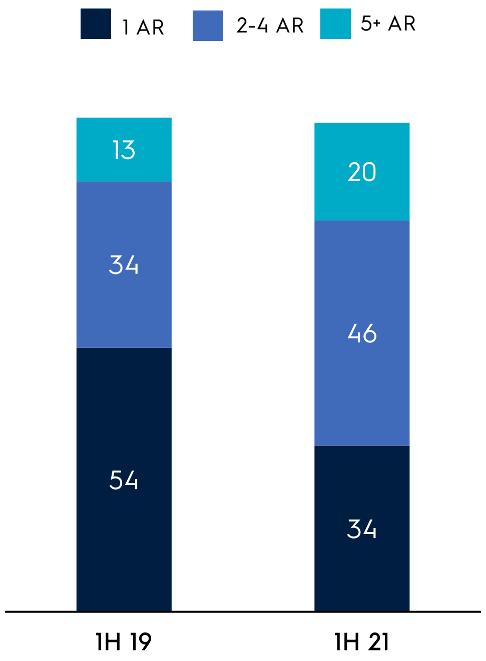
- ✓ Aligned adviser network has been materially reshaped to focus on high quality and sustainable advice practices
- ✓ Advice remediation fully provisioned (A$824m) and all reviews complete
- ✓ Independent testing of financial advice quality demonstrating strong compliance with Best Interests Duty
- ✓ New commercial terms announced in July 2021 including:
  - — Uplifted service model and progressive increase in fees over the next 12 months to meet the market
  - — Release of institutional ownership from AMP Financial Planning and the elimination of buy back arrangements from 1 January 2022
- ✓ Agreement to sell employed advice business; to complete in December 2021, transition of clients and employees to complete Q1 22

Increasing scale in Advice as the reshape nears completion

Average advisers per practice[1]




% of practices by size[2]




Notes:
1. Calculations are based on aggregated practice numbers, in the case where multiple licensees operate under a single practice.
2. Practices by size based on number of Authorised Representatives (AR).

# Accelerate the transformation of Advice

## Transform to a sustainable, standalone business; retaining benefits of an aligned network

Reposition | Simplify | Explore

### Our strategy

- Pursue strategy as a professional service provider, delivering valued licensee services at competitive and sustainable prices
- Maximise income, and diversify earnings, from equity partnerships by investing in high-quality, high-growth practices
- Transform P&L to breakeven by creating simplified, more focused business with appropriate risk appetite that provides services valued by advice practices. Three-year program achieved by:
  - Finalising legacy remediation and associated costs
  - Implementing new commercial license fees
  - Driving efficiencies through technology
  - Rationalising services with lower utility
- Partnering with CreativeMass, Salesforce and others to unlock efficiencies and reduce compliance costs

### Targeted outcomes through to FY 24

**Complete exit of employed advice** by FY 22

**Average Aligned revenue** per AR ~+80% by FY 24

**Investments in advice businesses limited to a maximum of 49%** by FY 23

**Advice breakeven ambition** by FY 24

# New Zealand Wealth Management

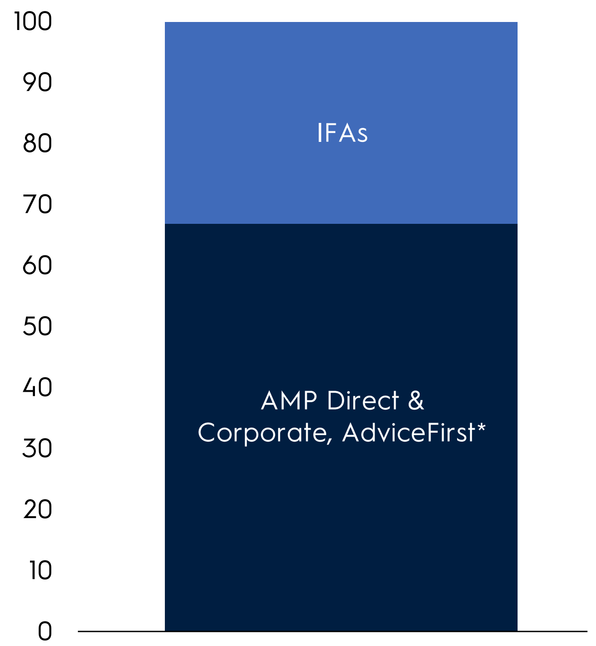
## Substantial progress made to transform NZWM into standalone efficient business

Reposition | Simplify | Explore

### Progress to date

- ✓ Continued to simplify operations through automation and digital transformation onshore with 30% FTE reduction in Customer Services
- ✓ Partnered with BlackRock to deliver a new investment approach with a focus on sustainable investing and a material fee reduction for clients, up to 40%
- ✓ Extended partnership with general insurance partner Vero for further five years, expected to represent ~25% NPAT in future years
- ✓ Repositioned distribution to be predominantly direct to market via employed advisers (AMP and AdviceFirst) and fully exited aligned advice

**% AUM by channel, NZWM**




*AdviceFirst AUM only relates to AMP manufactured portion; AMP Direct & Corporate has 26 employed advisers, AdviceFirst has 37 Employed advisers, IFAs have 206 distribution agreements

# Deliver stable client earnings and optimal client outcomes

## New Zealand Wealth Management

Reposition | Simplify | Explore



### Our strategy

- Defend market share and leverage new lower cost investment offer
- Deliver new digital unit trust product leveraging investment in automation and BlackRock partnership
- Extend focus on sustainable investments reflecting NZ market dynamics
- Continue tight cost focus to maximise performance metrics
- Investing further in General Insurance digital distribution to drive growth

### Targeted outcomes through to FY 24

**Further leverage automation** to drive lower total cost to client

**Launch new digital unit trust product** in 1H 22

**Positive net cash flows** in FY 22 up from (~A$0.25b) in 1H 21

**Confirm NZWM Net Zero Carbon Emissions framework** and initial targets in 1H 22

# Simplify

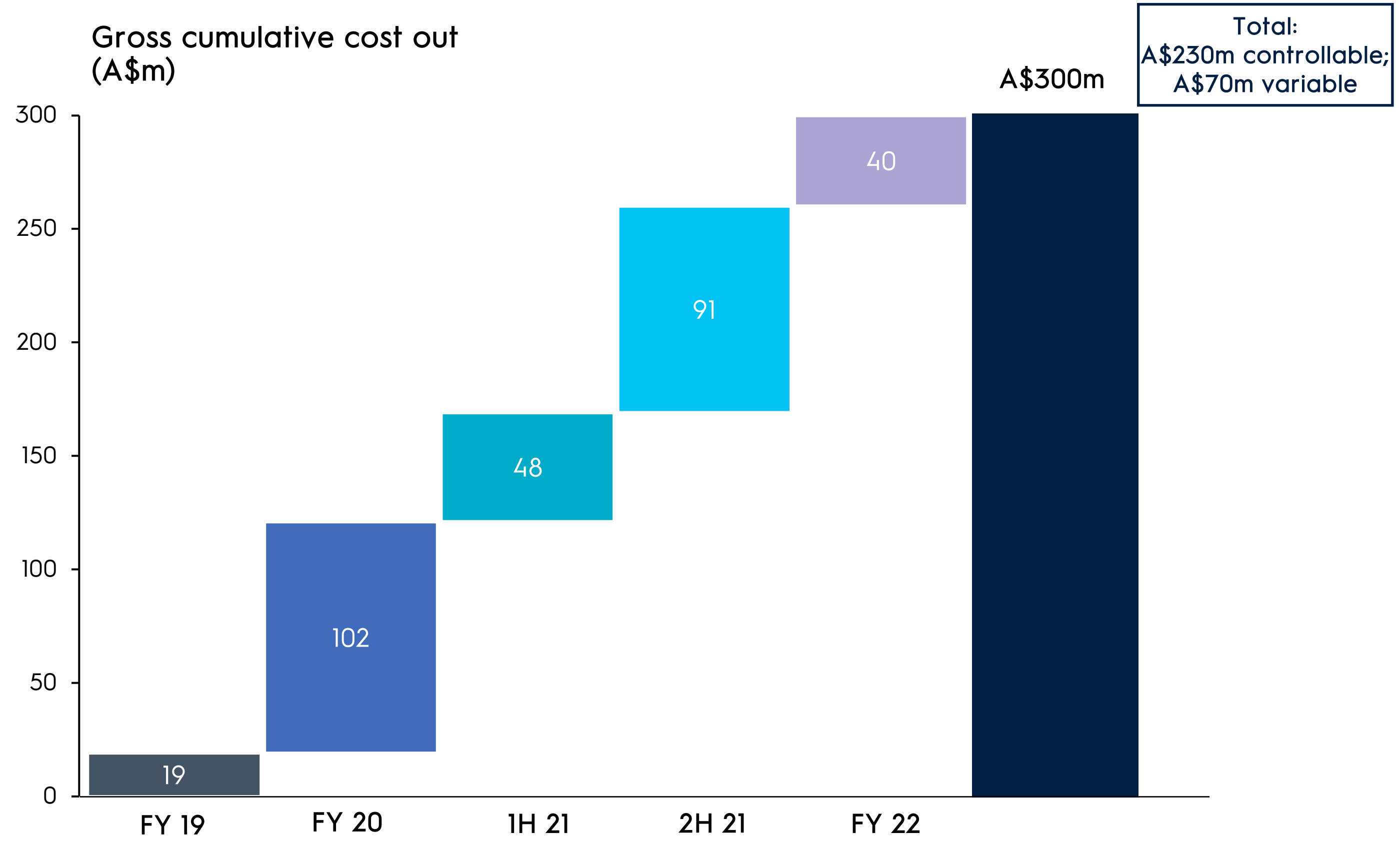
# Redefine and right-size operating model for agility and efficiency

On track to achieve A$300m cost out program (A$260m by FY 21 delivered)

Reposition | Simplify | Explore

## Progress to date

- ✓ Operating model redesign including span of control and support functions
- ✓ Technology simplification (eg app rationalisation, migration to cloud)
- ✓ Optimised operations (eg contact centre volume avoidance, automation, digitisation)
- ✓ Procurement and vendor renegotiation
- ✓ Right-size management for a smaller company and expand agile operating model
- ✓ Reduced adviser incentives and support costs



# Redefine and right-size operating model for agility and efficiency

## Disciplined focus on costs



### Our strategy

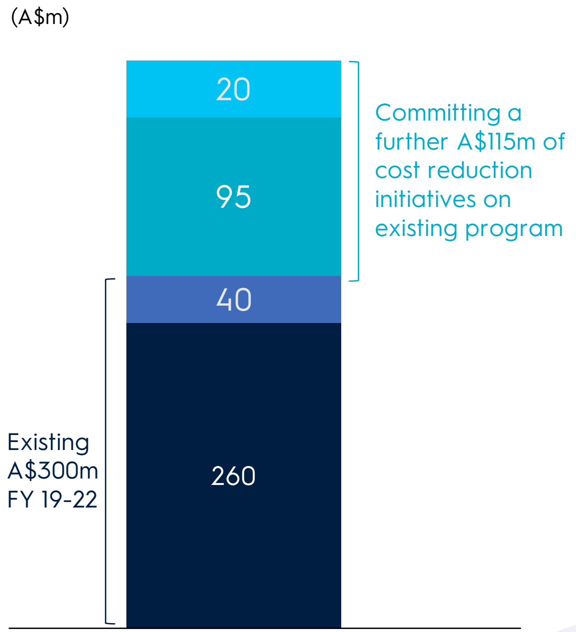
- Radically simplify Advice business end-to-end, to achieve breakeven performance
- Simplify Master Trust end-to-end (products, operations, support) to deliver lower cost position and efficient operations
- Zero-base support functions adjusting service levels for simpler organisation
- Simplify end-state architecture (i.e. cloud, partners, suites) and rationalise applications across the Group
- Rationalise legal entities and governance
- Explore partnerships to reduce capital imposts

### Targeted outcomes through to FY 24

**CTI low 60s in FY 24**
down from 71% in 1H 21

**Complete A$300m**
cost out program with last A$40m delivered in FY 22

**Additional $115m net cost out[1]**
over three years FY 22 - 24 of A$155m which includes A$40m from FY 19 - 22 program




Note:
1. Cost out will emerge in variable and controllable costs (across operating costs). Does not include exits of business lines (eg Employed Advice practices)

# Continue to review portfolio of assets to ensure AMP is the right owner

## Optimise portfolio for the future

Reposition | **Simplify** | Explore

| | |
|---|---|
| **Life insurance** | — Sale of AMP Life complete in 2020 for A$3bn, including ~20% equity stake in Resolution Life Australasia (RLA)<br>— Residual equity stake sold November 2021 for A$524m consideration; expected to complete in 1H 22 |
| **AMP Capital – GEFI** | — GEFI sale to Macquarie Asset Management agreed July 2021; total consideration of up to A$185m<br>— Transfer of clients and investment teams on track to complete Q1 22 |
| **AMP Capital – MAG** | — Transfer of MAG Funds to Australian Wealth Management to complete by FY 21<br>— Creates end-to-end superannuation and investment platform business in AMP Limited |
| **Employed advice** | — Agreed to sell employed advice business (AMP Advice) in minority joint venture with PSK Financial Services<br>— Transaction on track to complete in December 2021; clients and employees to transition to PSK |
| **Technology** | — Partnership with CreativeMass to manage and develop ClientHub technology |

# Explore

# Further growth opportunities

## Retirement

Reposition Simplify Explore

### Scale of the opportunity

- Large and growing asset base in retirement phase with ageing population
- Lack of available products to serve customers' needs (eg income stream)
- Opportunity for AMP to build offering leveraging capability in wealth, platforms and advice networks
- AMP brand resonates with retirement segment

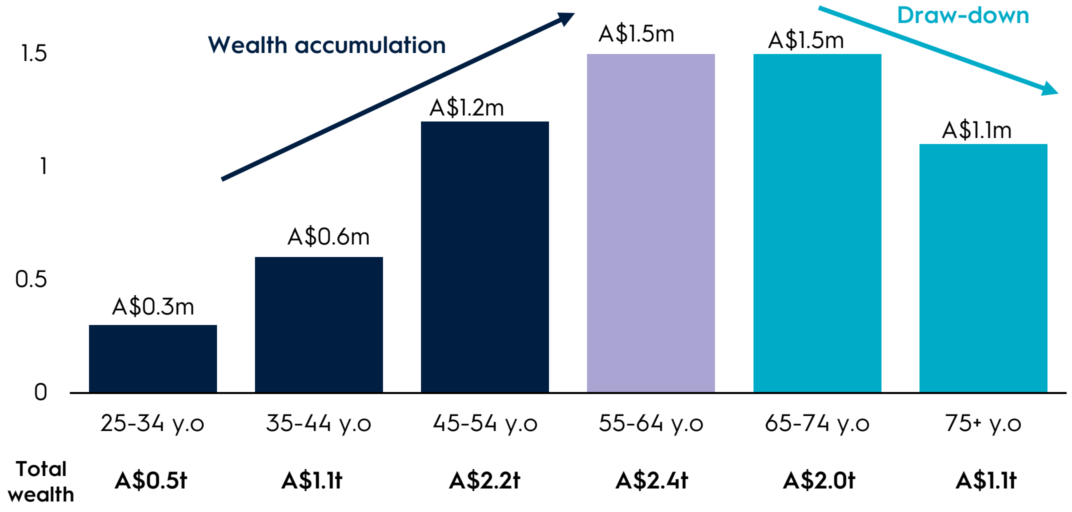
**How we will improve our offering**

**Building lifetime pension** continued focus on exploring options

**Complement and enhance existing offering including**
— Master Trust account-based pension
— Annuities and investment guarantees on North
— Advice

**60-65% of total wealth resides with households in retirement (A$3.1t) or approaching retirement in the next ten years (A$2.4t)**

Average Australian household wealth (A$m, 2017-18)




Note:
Retirees are defined as households where the reference person is aged 65 or older and is no longer in the labour force. Household wealth has been equivalised using the OECD equivalence scale in order to take account of differences in a household's size and composition. Values in 2017-18 A$.
Source: ABS

# Further growth opportunities

## Direct-to-consumer

Reposition | Simplify | **Explore**

### Scale of the opportunity

- Expanding direct-to-consumer (D2C) offers in AMP Bank will provide capability and learnings to build D2C channels for Australian Wealth Management business
- Significant D2C channel growth with innovative digital propositions on offer and customers demanding end-to-end digital experiences
- Look to build integrated D2C offering leveraging existing assets (eg scale, products)
- Pursue digital D2C advice options to attract new clients
- Explore D2C offering as part of Master Trust multi-channel growth strategy

### How we will improve our offering

**Build out our offering incrementally** starting with digital mortgages in Bank

**Complete the end-to-end digital experience for home loan customers** (explore, apply and onboarding) for both new loans and increases

**Build data analytics capability in core growth areas** within our business to identify, attract and serve customers more directly

**Be open to partnerships**

# China Life strategic partnerships - China Life Pension Company and China Life AMP Asset Management Company

## Strong historic growth in a large, emerging market

Reposition › Simplify › Explore

中国人寿
CHINA LIFE

Largest financial services company in China outside the big four Chinese banks – the 5th pillar

- 793 million customers, national coverage, with distribution force of two million people
- Manages over RMB five trillion in assets
- World's largest listed life insurance company by market capitalisation

China Life Pension Company (CLPC) established 2007, partnership since 2015, 19.99% ownership

China Life AMP Asset Management Company (CLAMP) established 2013 (AMP a founding partner), 14.97% ownership

### Market Opportunity

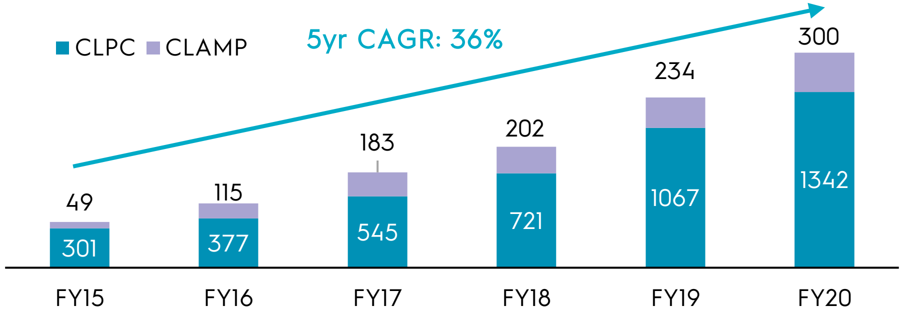
China pension industry set for rapid growth due to an ageing demographic

China extremely focused on broadening and deepening its financial services industry, increasing customer share of wallet

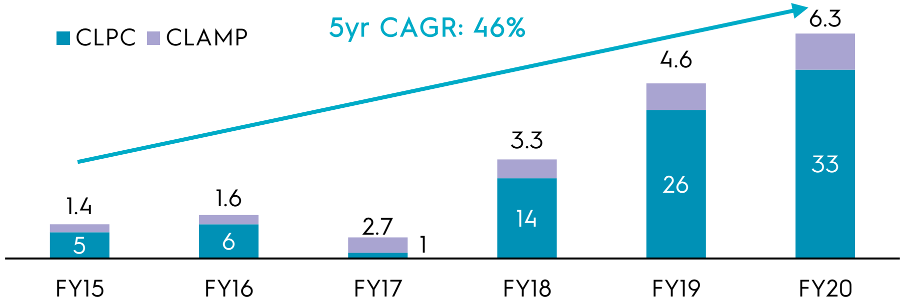
Outlook very positive for AMP's two partnerships:

- CLPC to benefit from its strong position in the fast growing pension market
- CLAMP to benefit from ongoing growth in wealth management from the increasing middle class population

CLPC & CLAMP AUM growth (RMB bn)




CLPC & CLAMP JV earnings growth (A$m)



# Key enablers

# Key enablers of our strategy

## Strengthen and build to deliver now and into the future

| | |
|---|---|
| **Purpose and culture** | — Culture transformation – improve inclusion & diversity, strengthen accountability and performance<br>— Purpose and values reset<br>— Leadership engagement – led by new CEO<br>**MEASURES: AMP employee engagement index, diversity and inclusion, conduct measures** |
| **Brand, reputation and ESG** | — Consistent delivery of positive customer outcomes<br>— Investment in new brand campaign<br>— Further strengthen management and disclosure of ESG risks and opportunities<br>**MEASURES: ESG ratings and benchmarks, Reptrak scores, brand health (qualitative / quantitative)** |
| **Digital and data** | — Create digital offer and experiences<br>— Digitise our processes<br>— Use data to better understand our customers<br>— Chief Technology Officer to be appointed to lead technology strategy<br>**MEASURES: Customer interactions on digital channels; internal usage of data and technology** |
| **Respect risk** | — Continuously strengthen processes to identify, measure, respond to and report risks<br>— Ensure governance structure enables appropriate escalation of information through the group<br>— Embed and strengthen risk culture and conduct management, with leaders setting tone from the top<br>— Review group strategy and risk appetite annually<br>**MEASURES: Risk compliance measures; risk culture scores** |

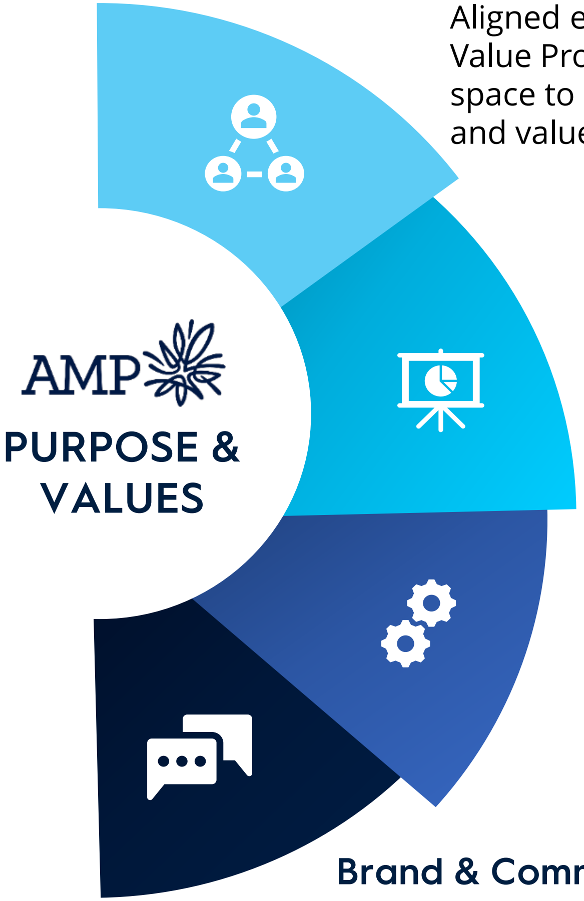
# Purpose and culture

## Restoring the purpose and values that AMP was built on



### Culture action

- ✓ Commitment to reset AMP Limited purpose and values to create a simpler, performance driven and customer-oriented business ahead of demerger
- ✓ Series of workshops underway with employees across all levels of the organisation to inform purpose and values
- ✓ Regular brand research, including qualitative focus groups, in place to understand customer and community perceptions, and areas that require addressing
- ✓ Culture diagnostic sessions – more than 30% of workforce participating in focus groups on culture
- ✓ Strong progress against action plan on inclusion and workplace conduct




**People & Culture**
Aligned employee journey, Employee Value Proposition and physical office space to enable & reinforce purpose and values.

**Strategy**
Aligned vision, strategy and position on sustainability; purpose & values lens on strategic decision making.

**Operations**
Aligned business and customer language with systems and processes that reflect & reinforce the purpose and values.

**Brand & Communications**
Aligned brand strategy, communications, employer brand and positioning.

# Summary

# Path to new AMP

## Streamline portfolio with a relentless focus on customers

| | | Measures of success |
|---|---|---|
| **REPOSITION** | — Invest to grow AMP Bank<br>— Grow the North platform, building new relationships with external financial advisers<br>— Deliver stable earnings and optimal client outcomes in Master Trust and NZWM<br>— Accelerate the transformation of Advice | — Targeting 2-3x bank asset (system) growth through next three years<br>— Increase EFA inflows from A$1.2b to A$3.8b in FY 24<br>— 20% cost reduction in Master Trust controllable costs by FY 24<br>— Advice breakeven ambition by FY 24 |
| **SIMPLIFY** | — Execute the demerger<br>— Redefine and right-size the operating model for agility and efficiency<br>— Continue to review portfolio of assets to ensure AMP is the right owner<br>— Enhance shareholder value through disciplined capital management | — Targeting ~15% net controllable cost reduction between FY 21–24<br>— A$155m net cost reduction FY 22-24<br>— Targeting low double-digit Return on Equity over the medium-term |
| **EXPLORE** | — Establish direct-to-consumer solutions in selected areas<br>— Develop leading position in retirement<br>— Explore adjacent new business models (organic and inorganic) | In near-term:<br>— Launch new retirement solutions in 2022<br>— Have a direct-to-consumer digital mortgage in market in 2022 |

### Key enablers

- **PURPOSE AND CULTURE**
- **BRAND, REPUTATION AND ESG**
- **DIGITAL AND DATA CAPABILITY**
- **RESPECT RISK**

# Priorities for the next 12 months

## Relentless in our pursuit of delivering for customers and shareholders

**Complete demerger**

**Reduce cost base**

**Grow Bank**

**Focus on EFA flows in platform**

**Explore new business opportunities**

**Revitalise culture**

PRIVATE
MARKETS
CO.

# PRIVATEMARKETSCO BUSINESS OVERVIEW AND STRATEGY

**AMP 2021 INVESTOR DAY**

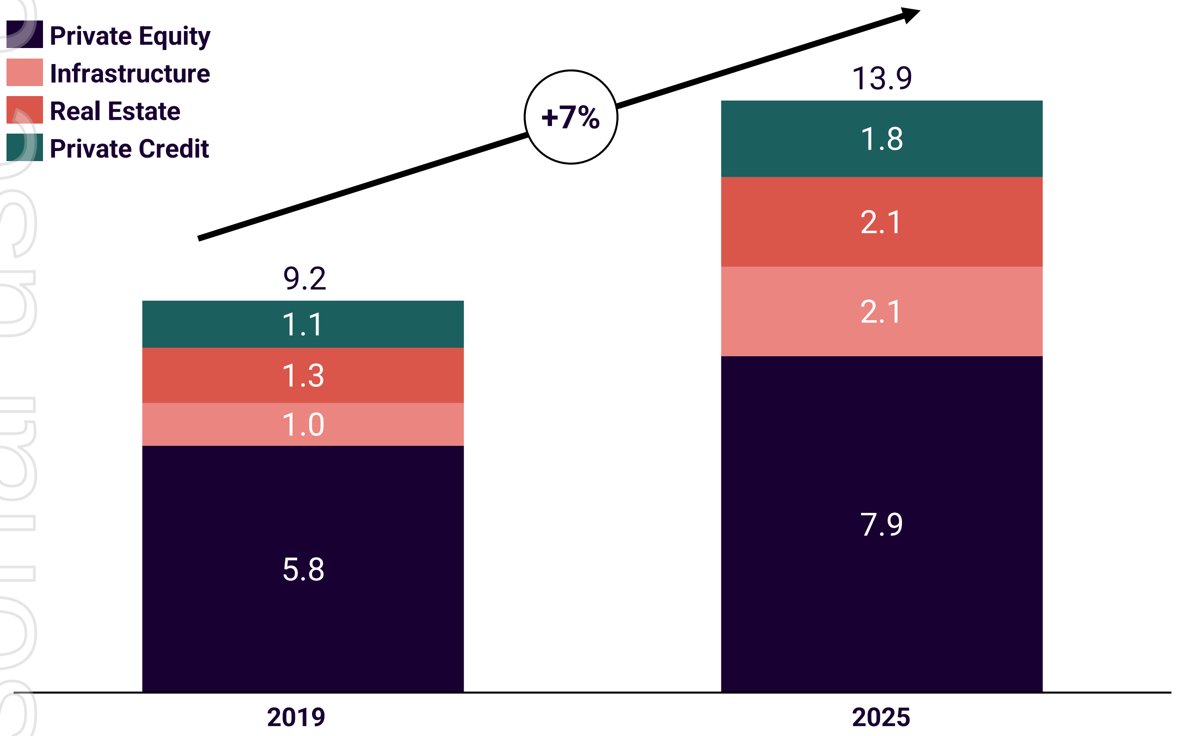
**30 November 2021**

# ATTRACTIVE MARKET

# GROWING GLOBAL DEMAND FOR PRIVATE MARKETS

**OPPORTUNITY FOR SHAREHOLDERS TO GAIN UNIQUE EXPOSURE TO SOME OF THE FASTEST GROWING ASSET CLASSES**

## Private Markets AUM Forecast (US$tn), 2019 - 2025[1]




## Significant opportunity for PrivateMarketsCo

- Global private markets AUM forecast to represent 17% of total industry AUM in 2024, but capture 49% of global revenue potential[2]
- Continued search for yield in the short to medium-term, driving clients up the risk curve and into real assets with attractive return profiles
- PrivateMarketsCo investment capabilities leverage similar investment frameworks to private equity and debt, creating a strategic foothold to grow and expand into adjacent offerings

1. PwC analysis 2021. PwC Report, January 2021: Prime time for private markets. Base case. Adapted to exclude commodities.
2. BCG Global Asset Management Market-Sizing Database 2020; BCG Global Asset Management Benchmarking 2020; Strategic Insight;P&I; ICI; Preqin; HFR; BlackRock ETP report; INREV; BCG analysis. Includes Hedge Funds, private equity, real estate, infrastructure, commodities, private debt, and liquid alternative mutual funds; private equity and hedge fund revenues do not include performance fees.

# OUR BUSINESS TODAY

# TODAY – CAPITALISING ON MARKET DEMAND

## DIVERSIFIED REAL ESTATE AND INFRASTRUCTURE INVESTMENT OPPORTUNITIES ACROSS RISK PROFILES & GEOGRAPHIES

### Unique investment platform

- Premier real estate
- Core and value-added infrastructure equity
- Mezzanine infrastructure debt
- Strength in mid-market A$200-$700m deals

### Global reach with the benefit of local knowledge

- 492 leading institutional clients located in the largest global markets
- 77% of direct institutional clients outside of Australia
- Over 100 investment professionals accessing unique investment opportunities located across key markets

### Deep experience with strong track record

- 30+ years of real asset experience
- Consistently strong investment performance
- A$50bn+ in AUM - with 10% CAGR growth in AUM from 2015 to 1H 21[1]

### Value-add active asset management

- 100+ high quality assets throughout Europe, North America, Australia, New Zealand, India, and South America
- Strong ESG credentials recognised by leading industry bodies
- Deep sector expertise delivering value enhancing actions through asset management lifecycle

All figures on this page as at 30 June 2021. Past performance is not a reliable indicator of future performance

1. AUM is provided as at 30 June 2021; invested AUM excluding uncalled commitments, includes JV-related AUM excluding China Life AMP Asset Management Company, the strategic joint venture formed in 2013 between AMP Capital and China Life Pension Company

# UNIQUE PLATFORM POISED FOR GLOBAL GROWTH

## $50B INVESTMENT PLATFORM WITH TOP 10 MARKET STRENGTH IN REAL ESTATE AND INFRASTRUCTURE

| Real Estate | Infrastructure Equity | Infrastructure Debt |
|---|---|---|
| Leading Australian real estate manager | Leading global manager in infrastructure equity | Global market leader in infrastructure mezzanine debt |
| **A$24.7bn**<br>Invested AUM[1] | **A$19.0bn**<br>Invested AUM[1] | **A$6.9bn**<br>Invested AUM[1] |
| **Top 8**<br>APAC Real Estate Manager[2] | **Top 10**<br>Global Infrastructure Equity Manager[3] | **Top 6**<br>Global Infrastructure Debt Manager[4] |
| **Sector Expertise** | **Sector Expertise** | **Sector Expertise** |
| **Retail**, **Office**, **Logistics** | **Transport/ Logistics**, **Energy/Utilities**, **Health/Social**, **Digital**, **PPP** | **Transport**, **Energy/Utilities**, **Digital** |

1. AUM is provided as at 30 June 2021; invested AUM excluding uncalled commitments, includes JV-related AUM excluding CLAMP
2. Rankings per ANREV Survey 2021, top 10 managers by non-listed real estate funds AUM Asia-Pac strategy
3. Rankings per Infrastructure Investor 100 2021, league table based on capital raised over preceding 5-year period
4. Rankings per Infrastructure Investor Infrastructure Debt 20 2021, league table numbers based on capital raised over preceding 5-year period

# STRONG SECTOR EXPERIENCE, INTERNATIONAL REACH

## DEEP MARKET ACCESS IN TARGET LOCATIONS TO ORIGINATE DEALS POISED FOR VALUE CREATION

### Infrastructure Debt

18 investment professionals

**90 investments**
over 20 years

### Real Estate

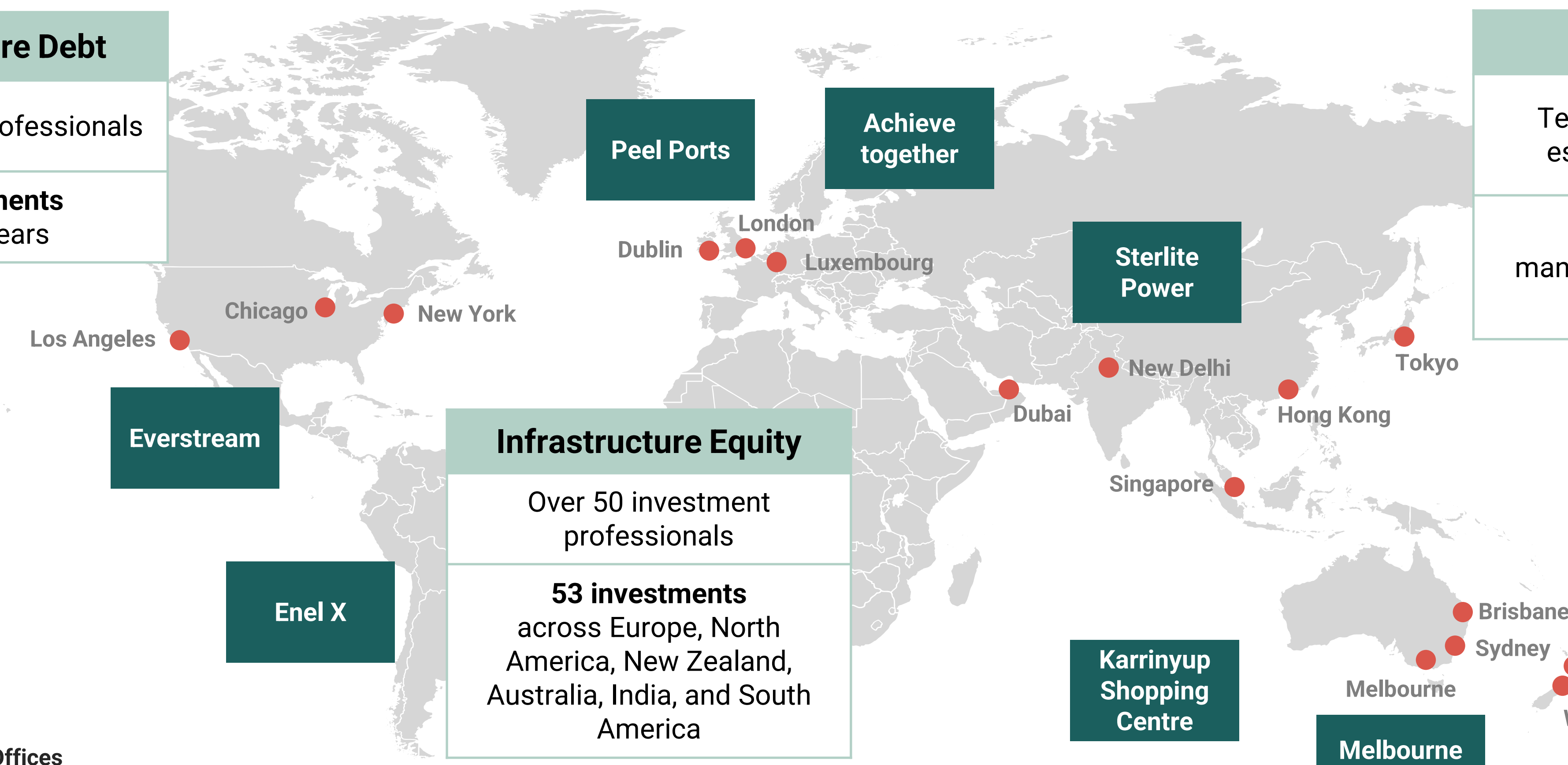
Team of over 500 real estate professionals

**75 assets**
managed in Australia and New Zealand

### Infrastructure Equity

Over 50 investment professionals

**53 investments**
across Europe, North America, New Zealand, Australia, India, and South America



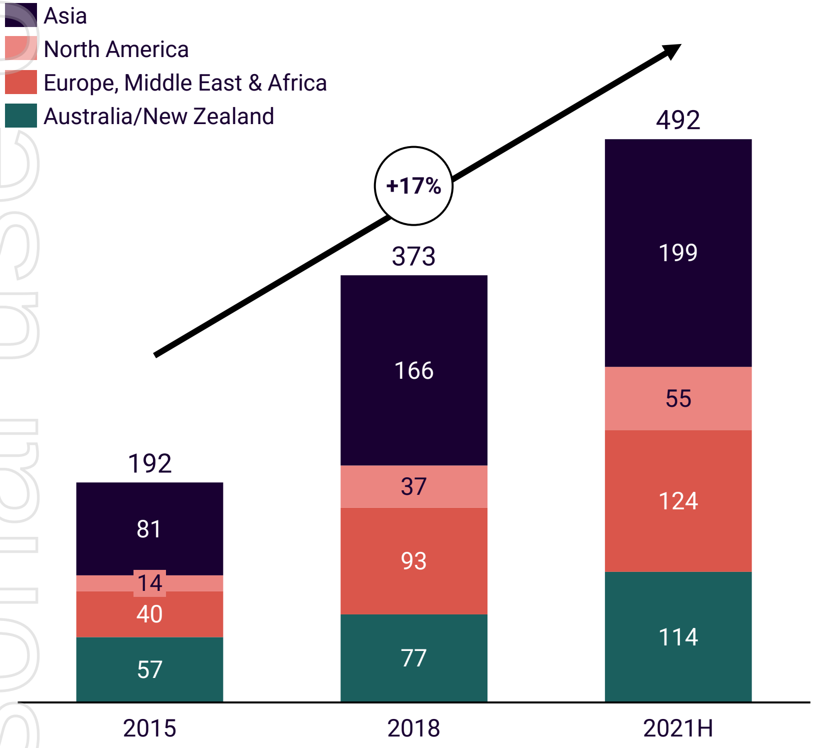

PrivateMarketsCo Offices

Investment professionals, offices and investments as at June 2021
Select current investments shown for illustrative purposes to display variety of asset classes, investment profiles, sectors, and geographies.

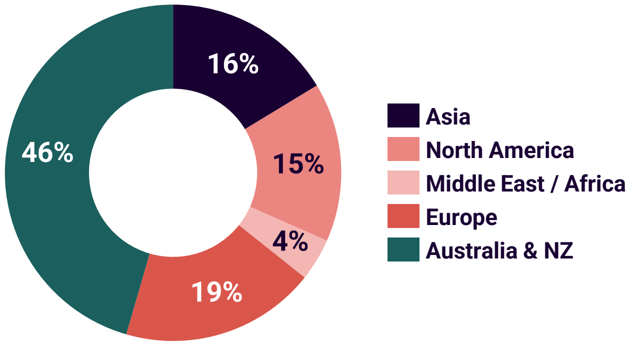
# INCREASINGLY INTERNATIONAL CLIENT BASE

## 77% INSTITUTIONAL CLIENTS OUTSIDE OF AUSTRALIA; FURTHER POTENTIAL TO UNLOCK IN TARGET COUNTRIES

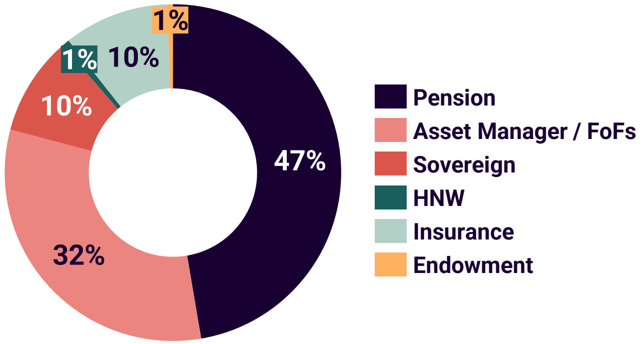
### Direct Institutional Clients by Region (#)[1]




### Direct Institutional Clients AUM by Location[2]




### Direct Institutional Clients AUM by Type[2]




- US market largely untapped with <2% of total AUM US sourced[2]
- Strong performance in South Korea an indicator for wider success across Asia
- Europe is the most established market outside of Australia

Figures are rounded

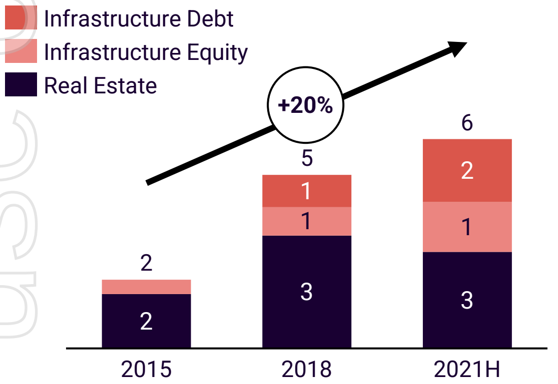
1. Direct institutional client as at 30 June 2021
2. AUM is provided as at 30 June 2021; invested AUM excluding uncalled commitments, excludes all JV-related AUM

# GLOBALLY SOURCED AUM

## INCREASING PENETRATION OF ASIA & NORTH AMERICA DRIVEN BY INFRASTRUCTURE EQUITY & DEBT

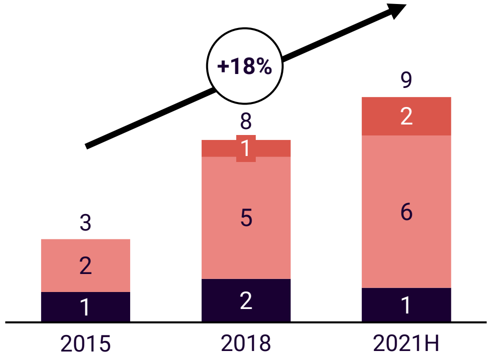
### North America

Sourced AUM (A$bn)[1]



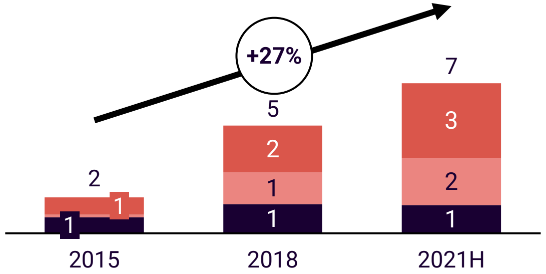

### Europe, Middle East, & Africa

Sourced AUM (A$bn)[1]



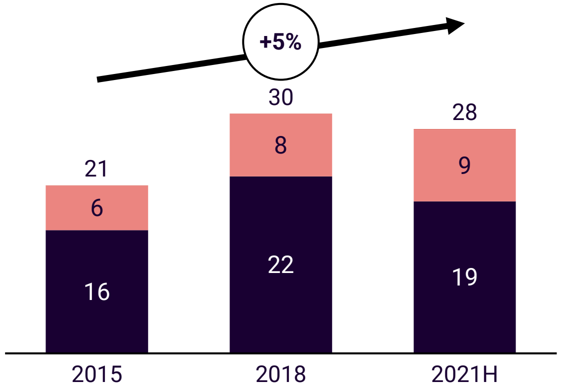

### Asia

Sourced AUM (A$bn)[1]




### Australia & NZ

Sourced AUM (A$bn)[1]




| North America | Europe, Middle East, & Africa | Asia | Australia & NZ |
|---|---|---|---|
| **12% of total AUM** sourced from region[2] | **18% of total AUM** sourced from region[2] | **14% of total AUM** sourced from region[2] | **56% of total AUM** sourced from region[2] |
| 55 institutional clients[3] | 124 direct institutional clients[3] | 199 direct institutional clients[3] | 114 direct institutional clients[3] |

**Underpinned by a global client solutions team working collaboratively across all markets and product offerings**

Figures are rounded
1. AUM is provided as at 30 June 2021; invested AUM excluding uncalled commitments, excludes all JV-related AUM. Y-axis of charts not to scale.
2. Percent of total AUM sourced from region as at 30 June 2021
3. Direct institutional client as at 30 June 2021

# FUTURE STRATEGIC DIRECTION

# SEPARATE, SIMPLIFY, GROW & DIVERSIFY

## A CLIENT LED, GLOBALLY INTEGRATED INVESTMENT MANAGER

**Complete demerger**
- Operate as an autonomous subsidiary from 31 Dec 2021
- Listed on ASX June 2022
- Full separation from AMP

**Simplify the business**
- Implement organizational structure
- Create efficiencies and remove duplication

**Grow client base**
- Build a global client solutions team
- Scale existing fund series
- Continue the infrastructure debt and global infrastructure equity fund series

**Diversify product offering**
- Create new product opportunities alongside current investment strategies

**ENABLERS**

Strong balance sheet and cost management

Embedded ESG

Talented people and strong leadership with aligned remuneration

# COMPLETE DEMERGER

## A STANDALONE, INTEGRATED INVESTMENT MANAGER BY JUNE 2022

**APRIL – AUGUST 2021**
- **Demerger announced**
- Shawn Johnson announced as AMP Capital CEO
- Announced sale of Global Equities and Fixed Income (GEFI) business
- Commenced transfer of Multi-Asset Group to AMP Limited

**SEPT – NOVEMBER 2021**
- PrivateMarketsCo Board appointments: Patrick Snowball (Chairman designate), Andrew Fay (Deputy Chairman designate)
- Finalised Private Markets operating model with leadership team appointments

**TODAY**
- PrivateMarketsCo Management Equity Plan established

**DEC 2021**
- **First stage of separation complete: operational separation**
- Transfer of MAG Funds from AMP Capital to Australian Wealth Management complete

**FEB 2022**
- FY 21 results announced

**MARCH 2022**
- Demerger scheme booklet lodged

**APRIL 2022**
- GEFI sale complete

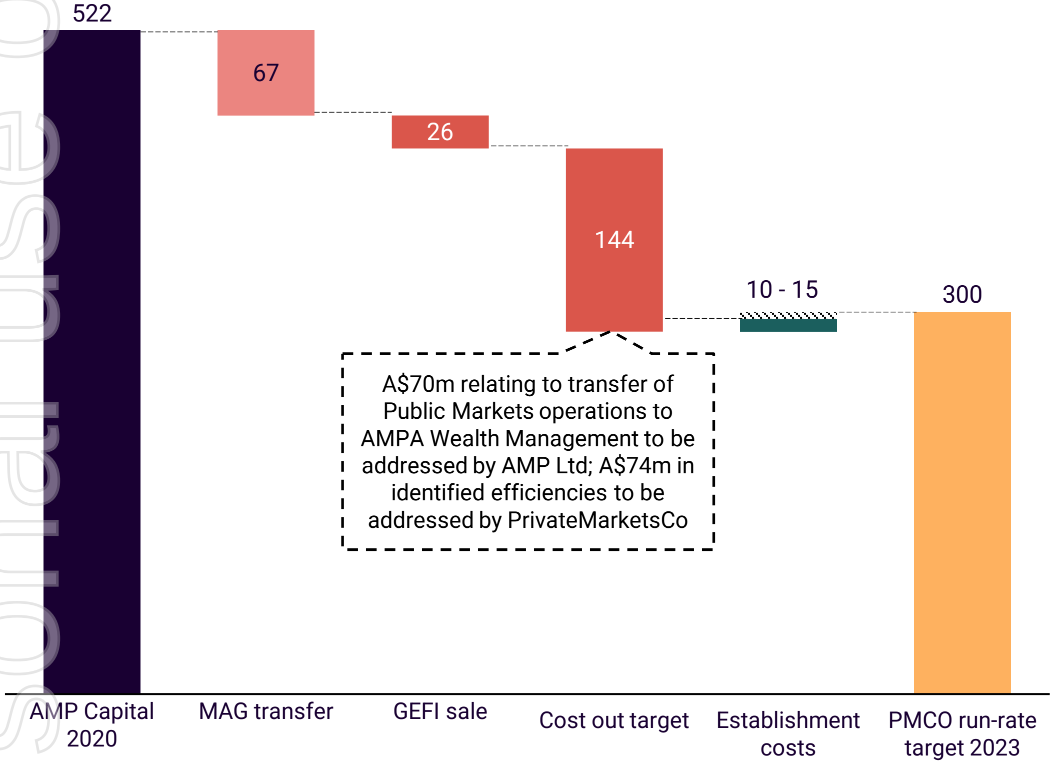
**MAY 2022**
- AGM and Shareholder scheme meeting

**JUN 2022**
- **Demerger effective date – PrivateMarketsCo lists on ASX**

# SIMPLIFY & RESTRUCTURE COST BASE

## TARGETING RUN-RATE COSTS ~A$300M BY FY 23

### AMP Capital Cost Base Transformation (A$m)[1]




**Public Markets separation**

- Transfer of Multi-Asset Group (MAG) to AMP Australia to be complete by 1H 22
- Sale of Global Equity and Fixed Income business to Macquarie Asset Management in 1H 22
- Removal of residual costs in 1H 22

**PrivateMarketsCo Simplification**

- Establishment costs to be incurred related to setup of standalone entity
- Cost base transformation in FY 22 required to restructure and reposition business for growth, with rightsizing of functions
- Targeting run-rate cost base of ~A$300m by FY 23

1. Illustrative transformation range of AMP Capital 2020 cost base as a result of MAG transfer to AMPA, GEFI sale to MAM, treatment of residual costs and identified efficiencies, as well as new establishment costs as a result of listing.

# GROW CLIENT BASE

## GLOBAL CLIENT SOLUTIONS TEAM TO DRIVE CLIENT GROWTH ACROSS ALL MARKETS & PRODUCTS

- Globally integrated teams with regional specialism working across all product offers
- Trusted partner to high quality client base with teams located alongside clients
- Market access through global consultant relationships
- End to end client relationship management to attract, retain and build multi-product relationships with clients
- Enable investors to better manage their asset allocation and capital deployment plans
- Client insights embedded into product innovation

**Global Client Solutions**

Sales

Client Relations

Consultant Relations

Brand, Marketing & Digital

Real Estate | Infrastructure Equity | Infrastructure Debt

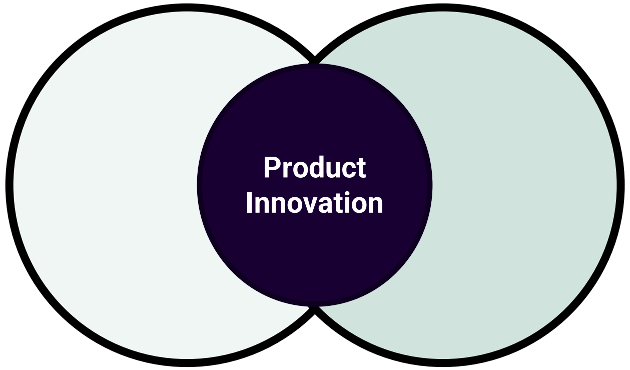
# DIVERSIFY PRODUCT OFFERING

## CLIENT-LED PRODUCT INNOVATION TO DEEPEN CLIENT RELATIONSHIPS AND DIVERSIFY REVENUES

- The majority of PrivateMarketCo's 492 direct institutional clients only invest in one fund strategy[1]
- Client-led product innovation will address client needs and increase revenue by capturing a greater share of available capital allocation

### CLIENT DEMAND

- Increasing portfolio allocations towards Private Markets, delivering attractive risk adjusted returns
- Desire for both geographic and sector diversification
- Growing focus on ESG and impact investing
- Appetite for higher risk / return investment strategies incl. emerging markets




### PMCO STRENGTHS

- Deep in-house experience across sectors
- Global footprint providing access to quality deal flow
- Market-leading development capability
- Pioneer in ESG
- Strong balance sheet ensuring client alignment via sponsor investment

### New product strategies may include[2]

- 'Dark Green' ESG Fund
- Global core infrastructure
- Opportunistic infrastructure
- Infrastructure technology
- Greenfield infrastructure development
- Asia-Pacific real estate

1. Direct institutional clients as at 30 June 2021.
2. Based on initial assessment of client demand, subject to further analysis before launch

# ESG FRAMEWORK & CREDENTIALS

## CREATING ENDURING VALUE THROUGH SUSTAINABLE INVESTMENT PRACTICES

| Three pillars: ESG | Objectives | Focus areas | | |
|---|---|---|---|---|
| Environment | We drive continual improvement in environmental performance, so that our investments re sustainable in the long term | Climate Change | Circular Economy | Biodiversity & Habitat |
| Social | We want everyone to enjoy happy healthy lives in vibrant, inclusive communications and workplaces | Health & Wellbeing | Equity, Diversity & Community | Transport & Mobility |
| Governance | We set the tone at the top, holding management to account in identifying, assessing and managing risk, transparently disclosing our performance and continually striving for best practice | Corporate Governance | Risk Management | Reporting & Bench-marking |

## CREDENTIALS

- **2001** First commitment to responsible investing
- **2007** Signatory to UN Principles of Responsible Investment (PRI)
- **2011** Inception member of GRESB
- **2013** All AMPC corporate operations become carbon neutral
- **2019** Launched 2030 Real Estate Sustainability Strategy
- **2020** AMPC commitment to achieving net zero carbon emissions by 2050 or sooner
- **2021** Office strategy fund achieves carbon neutrality 9 years ahead of target

# ESG EMBEDDED THROUGH THE INVESTMENT CYCLE

## INTEGRATING ESG FACTORS INTO INVESTMENT DECISIONS FOR ALMOST TWO DECADES

### Origination

- ESG integration in all investment products
- ESG criteria & analysis applied to investment themes, sectoral and asset selection

### Acquisition

- Transaction due diligence includes ESG criteria to identify and value ESG related risks and opportunities

### Active Management

- Platform & Fund ESG strategies to optimise performance, minimise risk and improve value.
- Active asset level engagement on ESG issues

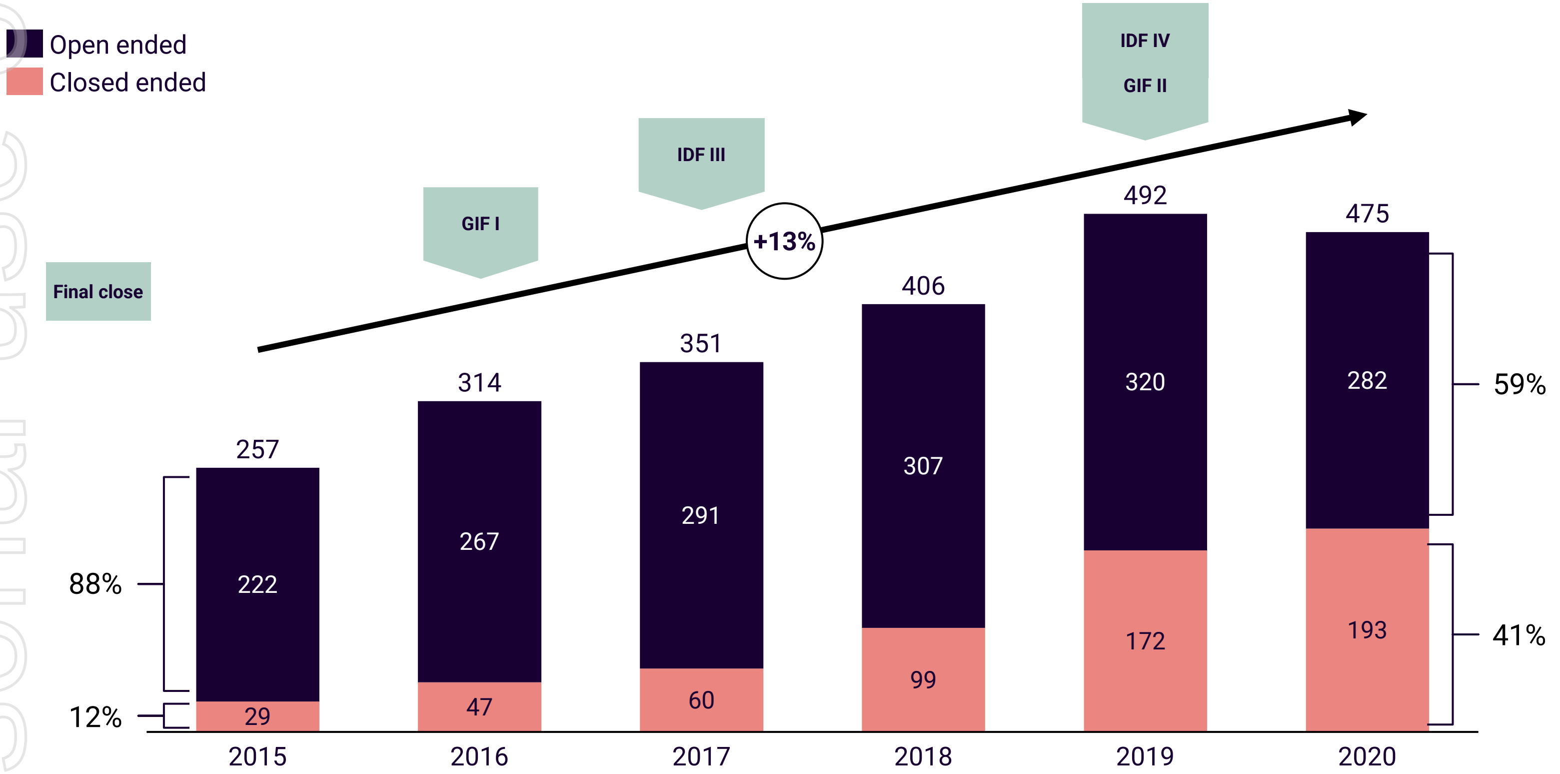
### ESG Monitoring & Disclosure

- Measurement of ESG performance metrics
- Consistent regular ESG reporting
- Transparent benchmarking and performance disclosure

# INCREASING REVENUE FROM CLOSED ENDED FUNDS

## CLOSED-ENDED FUND REVENUE INCREASING FROM SUCCESS IN INFRASTRUCTURE EQUITY & DEBT

### PrivateMarketsCo Direct Fund Revenues (A$m)




- Positive direct fund revenue growth at 13% CAGR 2015 – 2020
- Closed ended fund contribution to revenue increased from 12% in 2015 to 41% in 2020 attributed to infrastructure closed end fund series

Open-ended revenue includes real estate and portion of infrastructure equity platform.
Closed-ended revenue includes infrastructure debt platform and portion of infrastructure equity platform.

# OPEN VS. CLOSED-ENDED FUNDS

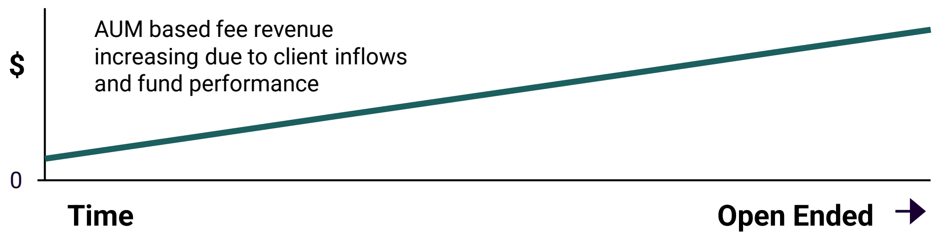
## DIFFERENT APPROACHES GENERATE DIFFERENT FINANCIAL OUTCOMES

### Open-Ended Funds

- Clients can redeem or add capital
- Fees are based on percentage of AUM
- May or may not have annual performance fees
- Perpetual life

**Key success factor: maintain performance and grow assets**

**Illustrative Revenue Profile**

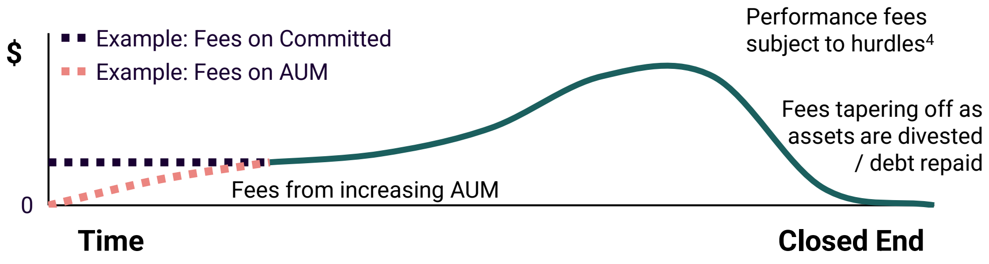



### Closed-Ended Funds

- No redemptions nor additional capital after final close[1]
- Fees are based on percentage of AUM[2]
- Carried interest above a hurdle rate[3]
- Typically an 8 - 12 year life

**Key success factor: generate returns above hurdle and raise new funds faster than maturities**

**Illustrative Revenue Profile**




1. Liquidity for closed ended funds provided via secondaries market
2. Fees are also earnt on committed capital where applicable
3. More likely to be towards the end of a fund life
4. In an infrastructure debt context, performance fees would be even further at back-end post fee tapering

# CLOSED-ENDED FUND STRUCTURE

## CLOSED END FUND LIFECYLE DELIVERS LONG TERM VALUE FOR CLIENTS AND SHAREHOLDERS[1]

**1 Fundraising and investment deployment**

- Management fees earned upon receipt of committed capital (GIF Fund Series) or invested capital (IDF Fund Series)
- Annuity-like with limited exposure to NAV movements

**2 Investment hold period**

- Investment hold period will be driven by the overall target fund life
- IDF series typically three to four years
- GIF series generally longer dated, typically five to seven years

**3 Divestment / repayment period**

- Closed-ended funds may earn performance fees on achievement of performance hurdles
- Closed-ended fund performance fees are generated toward the end of the fund's lifetime as assets divest or repay

### Existing closed-ended funds

**Global infrastructure equity**

| Fund | Final Close[2] | First Investment | Life-cycle |
|---|---|---|---|
| GIF I | US$2.4bn[3] | 2015 | Investment hold period |
| GIF II | US$3.4bn | 2018 | Investment deployment |

**Infrastructure debt**

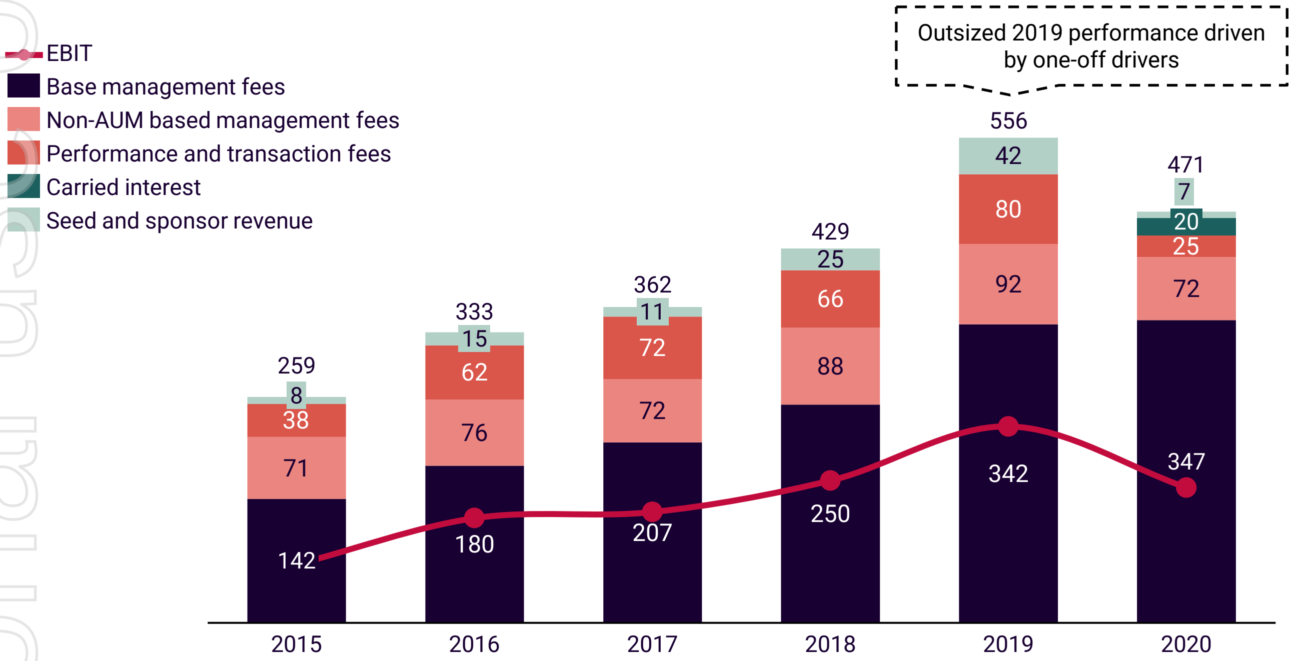
| Fund | Final Close[2] | First Investment | Life-cycle |
|---|---|---|---|
| IDF I | US$500m | March 2011 | Fully realised |
| IDF II | US$1.1bn | October 2013 | Repayment period |
| IDF III | US$4.1bn | March 2016 | Investment hold period |
| IDF IV | US$6.2bn | December 2018 | Investment hold period |

1. Value dependent on continual successful fundraises
2. Final close figure includes co-investment rights and separately managed account commitments where applicable
3. Final close includes SITE, relaunched from open-ended fund into GIF platform

# HISTORICAL EARNINGS

## NEAR-TERM EBIT MARGIN EXPECTED IN THE 20-25% RANGE; LONGER-TERM TARGET IN THE 30-35% RANGE[1]

### PrivateMarketsCo Total Revenue and EBIT (A$m)[2]




| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|---|
| Cost base | 192 | 213 | 235 | 266 | 331 | 316 |
| EBIT Margin | 26% | 36% | 35% | 38% | 40% | 33% |

### Historical Earnings Characteristics

- Revenue mix shifting towards close ended fund structures and separate accounts, with performance fees / carried interest driving earnings growth
  - Increasing revenue contribution from 'value add' infrastructure equity and mezzanine infrastructure debt divisions
  - Stable earnings contribution from core infrastructure equity and real estate

### Recent Developments

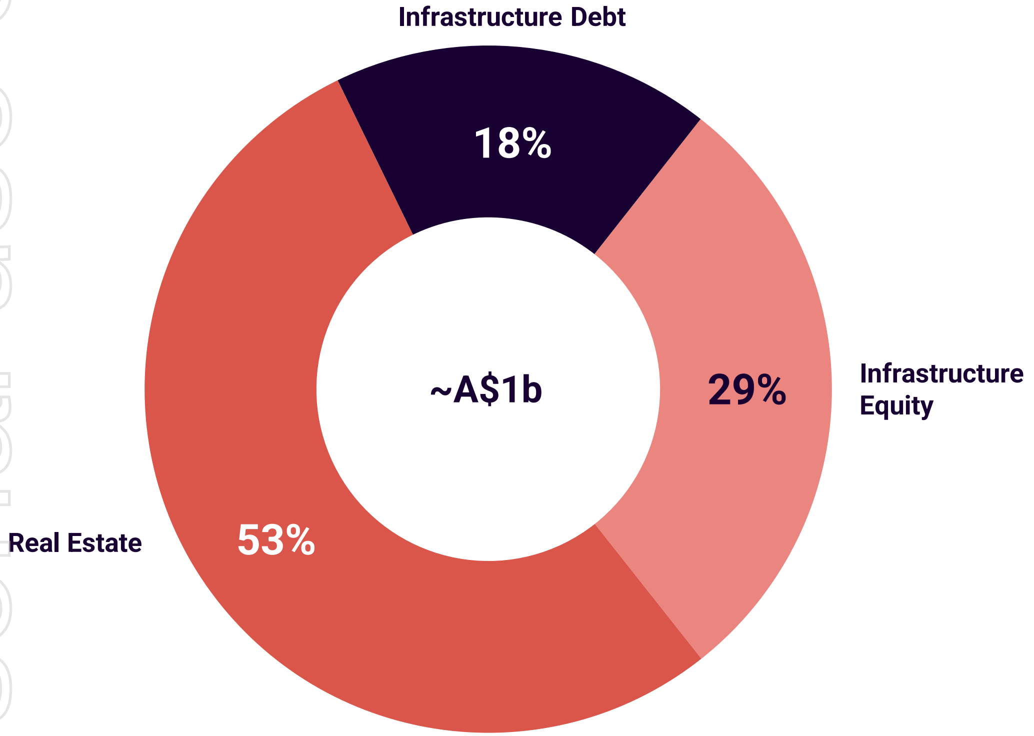
- Loss of AMP Capital Australia Diversified Property Fund in 1H 21 reduced revenue ~A$26m annually
- Margin compression across real estate and core infrastructure, impacting revenue ~A$30m annually (impact reducing from FY 23)
- Slower or reduced fundraising in 2021 / 2022

1. EBIT margin guidance excludes the cost of the Management Equity Plan
2. PMCo financials reflect the removal of Public Markets and China (CLAMP and CLPC) profit and an indicative fully allocated view (PMCo) of AMP Capital total cost base. 2019 and 2020 revenue adjusted for remediation costs. 2020 total revenue less than 2020 direct fund revenue due to one-off costs held at the corporate level.

# SPONSOR CAPITAL ALIGNMENT WITH CLIENT INTERESTS

**~A$1BN IN SPONSOR INVESTMENTS TO SUPPORT GROWTH IN PRODUCT OFFERINGS OVER THE MEDIUM TERM[1]**

## Illustrative Seed & Sponsor Profile Post-Demerger




- Seed & sponsor capital rising driven by house investment into real estate platform to strengthen alignment with clients
- Ongoing sponsor capital investments in existing and new strategies will support medium term growth
- Mid to high single digit returns targeted
- Future sponsor capital requirements funded by capital recycling and realised net returns on sponsor investments

1. Indicative seed & sponsor profile post-demerger

# OUTLOOK

## MAINTAIN MOMENTUM IN GLOBAL DIVERSIFICATION AND DELIVER EFFICIENCIES TO ACHIEVE TARGET EBIT RANGE

**Revenue**

Stable revenue from base management fees

**Revenue**

Episodic earnings from transaction fees, performance fees & carried interest

**AUM**

Fundraising to offset AUM reductions from asset divestments

**Growth**

Client growth and product diversification provides upside

---

**Cost**

Targeting ~A$300m run-rate cost base by FY 23[1]

**EBIT**

Near-term EBIT margin expected in the 20-25% range, longer-term target in the 30-35% range[1]

1. EBIT margin and run-rate cost guidance excludes the cost of the Management Equity Plan

# TALENTED PEOPLE AND STRONG LEADERSHIP



**WORKING AS ONE UNITED PRIVATE MARKETS GLOBAL TEAM TO DELIVER FOR OUR CLIENTS & SHAREHOLDERS**

**To be recognised by our people as an employer of choice**

### Shared advantage
For our clients and the communities which we invest in

### Global business
Breadth of access to opportunities for growth and scale

### United team
Leveraging diverse backgrounds to achieve a common goal

### A share of success
Market-aligned incentives to drive long-term performance

# MANAGEMENT EQUITY PLAN

## GLOBALLY COMPARABLE MANAGEMENT EQUITY PLAN TO PROTECT VALUE AND INCENTIVISE GROWTH

### Why is it important?

- **Investment management is a people business –** our people are our intellectual property
- **Employee retention is critical to our clients –** clients need certainty that key investment professionals are 'locked in' over the life of the fund
- **Equity and carried interest participation** is commonly used across the industry to successfully align the interests of shareholders, clients and management

**Publicly available market examples[1]**

| Firm | Employee Ownership |
|---|---|
| Apollo | 41% |
| Brookfield | 20% |
| Blackstone | 15% |
| KKR | 15% |
| Macquarie | 5%[2] |

### Management Equity Plan

| | |
|---|---|
| **Objectives** | 1) **Retain** key investment professionals to protect the value of PrivateMarketsCo through demerger<br>2) **Align** the interests of management and shareholders, with strong incentives to grow value |
| **Quantum** | Maximum **12% equity** interest in PrivateMarketsCo<br>• 4% service based<br>• 8% performance based |
| **Performance Metrics** | For performance based component:<br>• 75% weighted towards **EPS Growth**<br>• 25% weighted towards **TSR** relative to ASX 200 |
| **Time Period** | Two performance periods; 2022-2024 and 2023-2025<br>• 3yr vesting schedule provides retention incentive until the end of 2028 |

1. As self-reported in eVestment. Represents total employee ownership not just executive and director.
2. May exclude executive equity ownership outside of asset management division

# SUMMARY

# A UNIQUE OPPORTUNITY FOR SHAREHOLDERS

- Globally private markets is highly attractive to clients and has significant forward momentum
- PrivateMarketsCo is poised for future growth - a unique investment platform with a strong track record
- Separate, Simplify, Grow and Diversify to generate strong longer-term stable earnings, with some headwinds to overcome in the short term

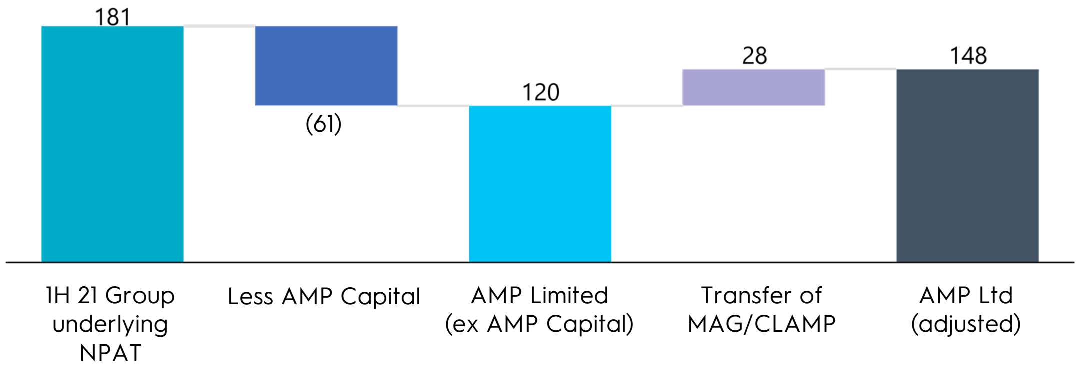
# Financials

# Post-demerger 1H 21 view of AMP Limited and PrivateMarketsCo earnings[1]

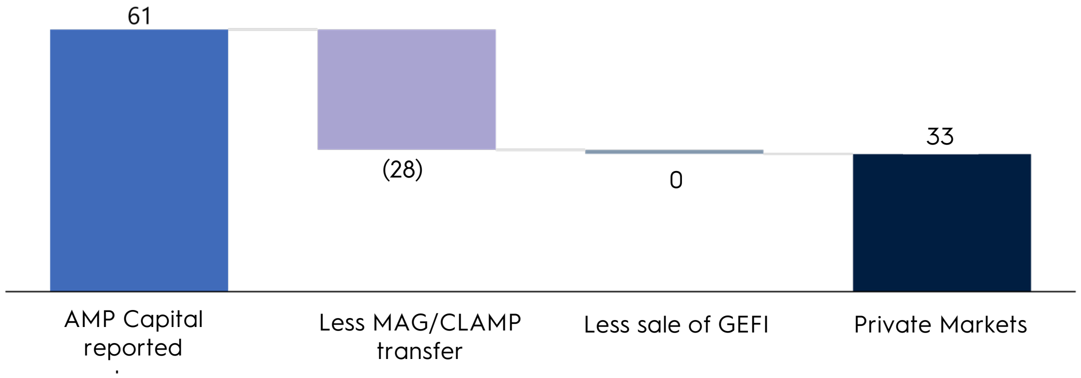
## MAG and CLAMP transferred from AMP Capital to AMP Limited; GEFI to be sold

| Profit and loss (A$m) | 1H 21 Group total (as reported) | AMP Capital | | | AMP Ltd (ex AMP Capital) | AMP Ltd adjusted (ex Private Markets and GEFI)[2] |
|---|---|---|---|---|---|---|
| | | Private Markets | Public Markets | | | |
| | | | GEFI | MAG / CLAMP[3] | | |
| Revenue | 1,107 | 204 | 57 | 73 | 773 | 846 |
| Variable costs | (254) | - | - | - | (254) | (254) |
| Gross Profit | 853 | 204 | 57 | 73 | 519 | 592 |
| Controllable costs | (639) | (160) | (57) | (35) | (387) | (422) |
| EBIT | 214 | 44 | - | 38 | 132 | 170 |
| Interest expense | (35) | (5) | - | - | (30) | (30) |
| Investment income | 57 | 1 | - | - | 56 | 56 |
| Tax expense | (55) | (7) | - | (10) | (38) | (48) |
| NPAT underlying | 181 | 33 | - | 28 | 120 | 148 |
| | | | 61 | | | |

Group underlying NPAT to adjusted underlying NPAT of AMP Ltd




AMP Capital underlying NPAT to Private Markets underlying NPAT




Notes:
1. Post-demerger view is an adjusted split of historical earnings and does not reflect a pro-forma view of the demerged entities
2. AMP Ltd adjusted reflects the movement of MAG and CLAMP earnings from AMP Capital to AWM and AMP Ltd Group Office, respectively
3. NPAT includes A$20m contribution from MAG and A$8m contribution from CLAMP

# AMP Limited earnings summary

## AMP Limited NPAT contribution post demerger

| A$m | AMP Ltd NPAT contribution (adjusted) [1] | | |
|---|---|---|---|
| | 1H 21 | FY 20 | FY 19 |
| Bank | 84 | 111 | 133 |
| Platforms [1] | 66 | 106 | 125 |
| Master Trust [1] | 63 | 126 | 215 |
| Advice | (85) | (143) | (136) |
| WM & Other [2] | 1 | (2) | (4) |
| NZWM | 19 | 35 | 43 |
| Group costs [3] | (32) | (85) | (78) |
| Investment income [4] | 32 | (11) | (69) |
| **NPAT (underlying)** | 148 | 137 | 229 |

### Perimeter changes

- Business units reflect FY 21 reporting presentation with Australian Wealth Management earnings split by divisional contributions from Platforms, Master Trust and Advice
- MAG earnings to formally transfer from AMP Capital to AWM from 1H 22; 1H 21 NPAT of A$20m allocated to Master Trust (A$11m), Platforms (A$6m) and WM & Other (A$3m)
- Transfer of CLAMP from AMP Capital to Group Office investment income, partially offsetting the RLA divestment
- Additional Group Office costs allocated to businesses to reflect go forward charging basis; A$38m (pre-tax) impact in 1H 21 (A$31m in AWM)

### Business performance

- Reduction in profitability between FY 19 and 1H 21 reflects impact of significant repricing activity in Master Trust across the periods as well as COVID-related provisions in FY 20 in AMP Bank and advice impairments in 1H 21
- Sale of RLA holding, will impact investment income from 2H 21 (A$10m contribution in 1H 21)
- NPAT (underlying) excludes a number of one-off, non-recurring items, which impact reported statutory profits

Notes:
1. NPAT contribution from MAG transferred to Master Trust (A$11m) and Platforms (A$6m) divisions, where AUM is derived. Historical splits of MAG revenues and costs into Master Trust, Platforms and Other are illustrative, based on management estimates and may be subject to change.
2. WM & Other includes SuperConcepts and MAG external clients revenue
3. Additional Group Office cost allocations have been made retrospectively to reflect the future allocation methodology to be adopted for Group Office
4. Investment income (net of interest expense) includes RLA contribution; to be removed from 2H 21

# PrivateMarketsCo earnings summary

## PrivateMarketsCo NPAT contribution post demerger

| A$m | PrivateMarketsCo contribution | | |
|---|---|---|---|
| | 1H 21 | FY 20 | FY 19 |
| Real estate | 36 | 74 | 92 |
| Infrastructure equity | 20 | 65 | 117 |
| Infrastructure debt | (3) | 21 | 6 |
| Corporate operations | (20) | (40) | (44) |
| **NPAT (underlying)** | 33 | 120 | 171 |

### Perimeter changes

- Business units reflect FY 21 reporting presentation with PrivateMarketsCo earnings split by divisional contributions from real estate, infrastructure equity and infrastructure debt
- PrivateMarketsCo earnings reflect new perimeter post demerger:
  - Excludes GEFI which has been sold to Macquarie with sale to complete 1H 22;
  - Transfer of MAG earnings to AMP Limited; and
  - Transfer of CLAMP earnings to AMP Limited.
- Corporate operation costs shown include those transferring from AMP Ltd but exclude stand-alone, listed company costs for PrivateMarketsCo (expected to be A$10-15m p.a.)

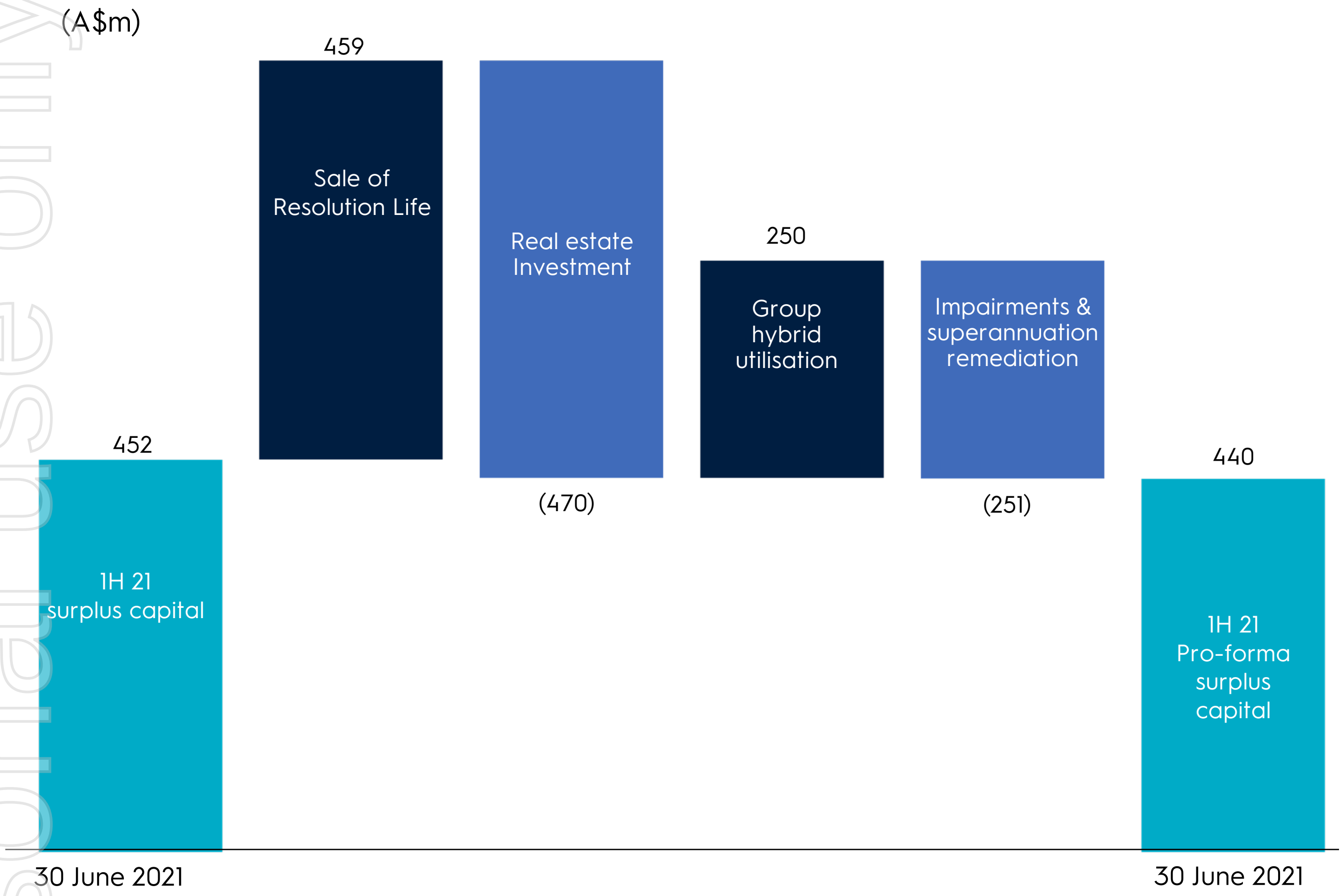
### Business performance

- 1H 21 and FY 20 infrastructure equity and infrastructure debt earnings reflect subdued performance and transaction fees following impact to fund real asset valuations, particularly airport investments
- Infrastructure equity also benefit from one-off revenues on the closure of the GIF II fundraising in 2019
- Real estate 1H 21 earnings lower reflecting loss of ADPF revenues

# Capital movements and allocations – indicative 1H 21 split

## Asset divestment to support demerger and strengthen real estate platform

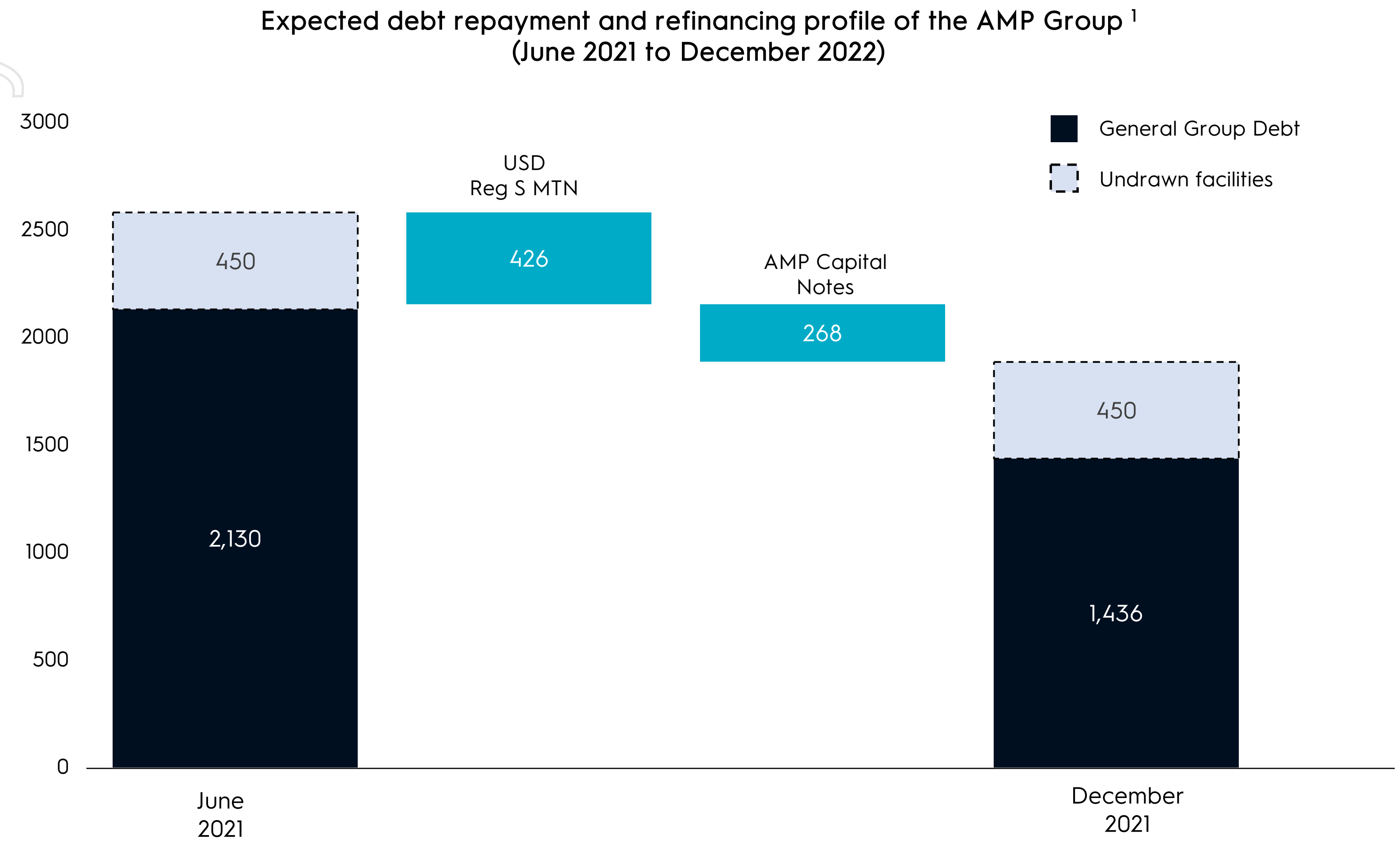
1H 21 pro-forma group capital splits for major capital movements




- As at 1H 21, total surplus capital resources for the Group were A$452m
- 1H 21 pro-forma position reflects a number of large adjustments including:
  - A$459m from the sale of AMP's stake in Resolution Life Australasia
  - A$470m of co-investment in AMP Capital's real estate funds to show meaningful investment in the real estate platform, demonstrate strong client alignment and support the defence of AWOF
  - A$250m benefit from using surplus hybrid instruments to support Group Office capital requirements
  - A$251m of impairments and superannuation remediation impacts
- 1H 21 pro-forma total capital resources for the Group are A$440m excluding A$195m (post tax) of expected demerger costs as well as other related impacts
- Dividend not expected across FY 21 and FY 22 reflecting finalisation of the portfolio restructuring of demerger, MAG transfer and GEFI sale and significant growth in the bank mortgage book

# Debt repayment profile

## Continued deleveraging of the Group's balance sheet




- Efforts to deleverage the balance sheet continue. This aligns with announcements made at completion of the sale of AMP Life
- A$694m net debt paydown by December 2021 in line with prior guidance
- Total corporate debt is projected to be ~A$1,436m by December 2021
- Further debt reduction is expected in 2022 to right-size the balance sheet post demerger

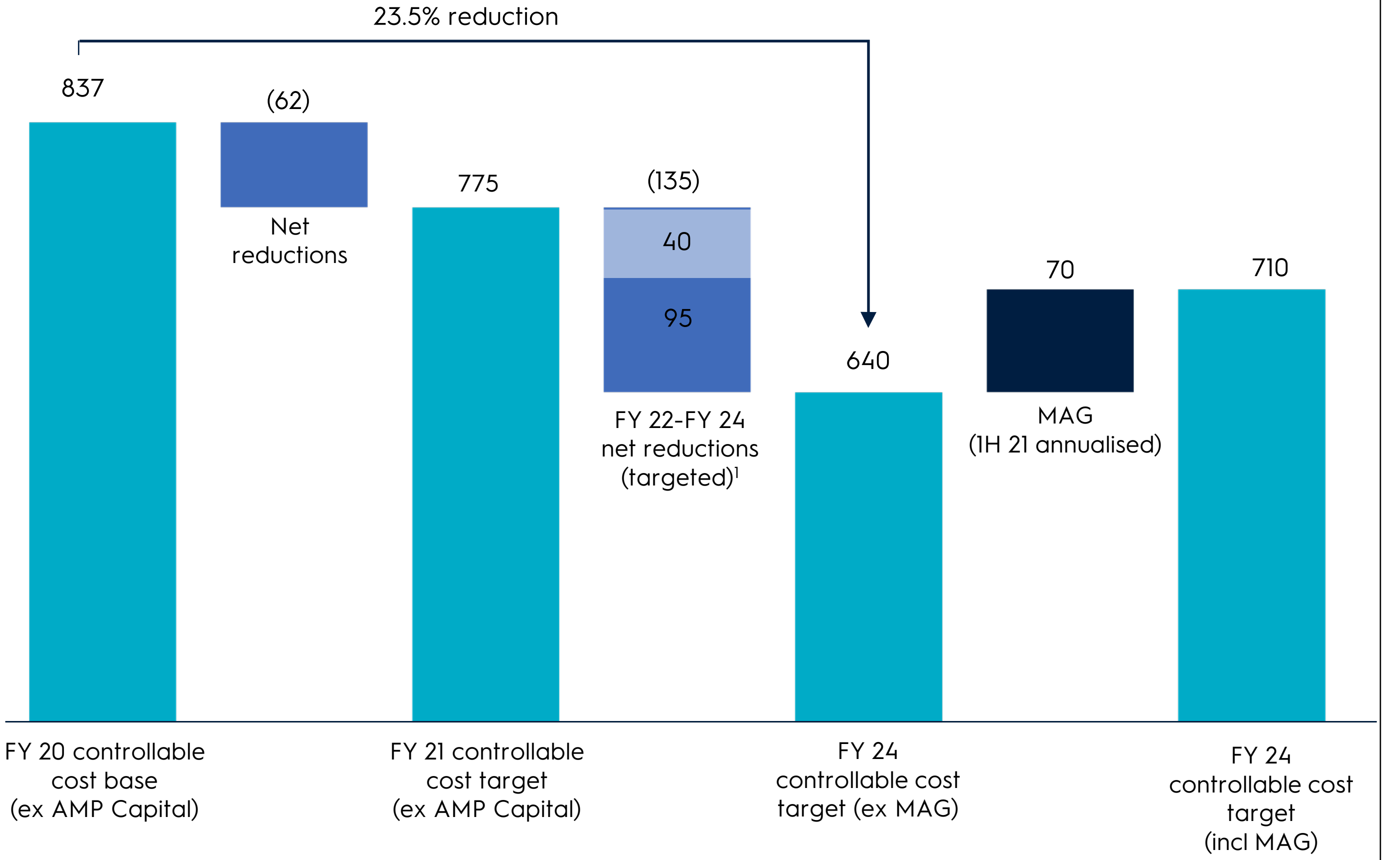
Notes:
1. Excludes A$225m of Hybrid Notes that support AMP Bank

# Controllable cost targets and demerger impacts

## FY 22-24 cost out program to deliver A$135m net controllable cost savings



FY 21 - 24 controllable cost movements (A$m)




**On track to achieve controllable cost guidance (ex AMP Capital) of A$775m by FY 21**

- Continuing to make good progress in delivering sustainable cost savings
- By the end of 2021, we will have achieved ~A$260m of A$300m gross cost savings. On a net basis, this translates to ~A$160m of total cost savings, with ~A$40m of residual cost savings to be delivered in FY 22
- MAG baseline controllable costs of A$70m[2] to be included in AMP Ltd cost base post transfer, resulting in an adjusted FY 21 controllable cost base of A$845m

**Targeting A$155m of total cost reductions across FY 22-FY 24**

- Net controllable cost savings of A$135m being targeted for FY 22-FY 24 reflecting A$40m of residual transformation cost savings plus A$95m of further controllable cost savings to deliver a controllable cost base of A$710m by FY 24
- Additional ~A$20m variable cost saving targeted by FY 24

**Stranded costs will be fully removed by FY 23**

- Expect up to A$20m of stranded costs (net of TSA recoveries) to emerge from demerger, GEFI sale and MAG transfer, which are expected to be removed in full by FY 23

Notes:
1. Includes A$40m of cost out (FY 22) under existing program.
2. Illustrative annualised MAG controllable costs of A$70m (1H 21: A$35m) to be included in the cost base post transfer from AMP Capital

# Summary AMP Limited financial guidance profile

## Targeting double-digit return on equity over the medium-term

### Earnings recovery expected to be underpinned by:

- Continued growth in North cashflows, with total Wealth cashflows positive by FY 23
- Strong growth in in residential mortgages in AMP Bank, targeting 2-3 times system growth
- Net cost reductions of A$155m by FY 24 (including A$135m controllable and A$20m of variable)
- Achieving our ambition of breakeven in Advice by FY 24
- Continued growth in returns on Chinese investments and further corporate debt paydown

### Partly offset by:

- Wealth management margin compression (~10bps in FY 22 and further 5bps in FY 23) as repricing activities complete
- Bank NIM compression of up to 10% from current levels to facilitate strong growth ambition
- One-off costs to complete demerger and cost transformation programme
  - A$195m (post tax) of demerger costs across FY 21/FY 22
  - A$100m (post-tax) of transformation cost out investment across FY 22/FY 23

# Summary PrivateMarketsCo financial guidance profile

## Maintain momentum in global diversification and deliver efficiencies to achieve target EBIT

### Earnings recovery expected to be underpinned by:

— Episodic earnings from transaction fees and performance fees / carried interest are uncertain, driven by origination and divestment activity and investment performance respectively

— Seed and sponsor income expected to increase substantially in FY 22 from additional ~A$470m investment of sponsor capital in PrivateMarketCo's real estate funds

— Targeting run-rate cost base of ~A$300m by FY 23, excluding the cost of the management equity plan

— Management equity plan accounting expense is a non-cash item and will be accounted for as a share-based payment

— Near-term EBIT margin expected in 20-25% range, long-term target in 30-35% range[1]

### Short-term headwinds:

— Slower or reduced fundraising activity in 2021 / 2022 due to continued client uncertainty; fundraising momentum expected to normalise when the demerger is complete

— AUM based management fees declining in FY 21 and FY 22 from

  — loss of AMP Capital Diversified Property Fund in 1H 21 reducing revenue ~A$26m annually

  — margin compression across real estate and core infrastructure, impacting revenue ~A$30m annually in FY 22

  — delays to fundraising activity leading to a mismatch in the timing of closed-end fund revenues

— AUM based management fees expected to improve in FY 23 as the business stabilises and fundraising activity resumes

1. EBIT margin guidance excludes the cost of the Management Equity Plan

# Appendix

# Financial guidance

## Outlook for key financial items



### AWM[1]

- FY 21 AUM based revenue margins expected to be ~65 bps, with a further ~10 bps of compression in FY 22 following the Master Trust simplification in Q3 21

### Advice

- Underlying loss in Advice expected to fall by ~50% in FY 22 reflecting exit of owned Advice, right-sizing network support costs and improving revenues
- Longer term ambition targeting breakeven of Advice by FY 24 through further rightsizing of support activities and cost reductions from automation
- Reshape of aligned advice largely complete; with a base of 300-400 scaled practices from FY 22

### Master Trust[1]

- Net cash outflow position expected to gradually improve over the next 2 years with expectation to be cashflow net positive in FY 24
- FY 21 AUM based revenue margins expected to be ~80 bps, with a further ~15 bps of compression in FY 22 following the Master Trust simplification in Q321. Margins expected to be ~60 bps in FY 24
- Targeting a 20% reduction in controllable costs by FY 24 from continued product simplification and reduced cost to serve

### Platforms[1]

- Targeting strong net cash flow growth leading to ~10% annual growth in AUM across the next 2-3 years supported by platform and service improvements and expanding EFA relationships and support
- FY 21 AUM based revenue margins expected to be ~50 bps, with margins expected to gradually reduce but remain around ~45 bps range by FY 24, as platform AUM transitions to MyNorth

### Bank

- Targeting at least 2x system growth over FY 22-24 supported by improved service and turnaround times, competitive pricing and an expanded channel offering; expected to deliver 10-15% annual loan growth
- NIM expected to reduce by up to 10% from current levels to facilitate targeted growth rate, subject to market conditions and interest rate outlook
- Cost to income ratio expected to trend lower as cost efficiencies expected to offset volume related costs growth

### NZ

- Underlying NPAT expected to be lower in FY 22 given margin headwinds and lower go forward general insurance revenues

### China

- Continued growth from CLPC and CLAMP investments, targeting a combined 10-15% p.a. return on investment, underpinned by strong AUM growth

### Controllable costs

- FY 21 controllable costs expected to be in line with prior guidance of A$775m (prior to MAG costs transferred from AMP Capital); A$260m of A$300m cost out program to be delivered by FY 21
- Final A$40m of cost out programme to be delivered in FY 22, with FY 22 controllable cost target of A$725m (before MAG costs transferred from AMP Capital)
- Cost savings expected to emerge predominantly in AWM reflecting large reductions in Advice and to a lesser extent, corporate functions and Mastertrust
- MAG controllable costs of ~A$70m p.a. expected to be transferred from AMP Capital in FY 22

### Demerger and transformation costs

- Total demerger costs expected to be ~A$195m (post-tax); with ~A$120m post tax expected in FY 22
- Transformation costs of ~A$100m (post-tax) for FY 22 and FY 23; in line with previous guidance

### Capital and dividends

- Targeting low double digit sustainable Return on Equity over the medium term reflecting the evolving nature of the Group's earnings profile
- Dividend not expected across FY 21 and FY 22 reflecting finalisation of the portfolio restructuring of Demerger, MAG transfer and GEFI sale and significant growth in the Bank mortgage book

### PrivateMarketsCo

- Slower fundraising activity in 2021 / 2022
- AUM based management fees declining in FY 21 and FY 22 from: loss of ADPF in 1H 21 reducing revenue ~A$26m annually; and margin compression across Real Estate and Core Infrastructure (predominantly AWOF & CommIF), impacting revenue ~A$30m annually in FY 22
- AUM based management fees expected to improve in FY 23
- Seed and sponsor income expected to increase in FY 22 from A$470m investment in Real Estate
- Targeting run-rate cost base of ~A$300m by FY 23, excluding the cost of the Management Equity Plan
- Near-term EBIT margin expected in the 20-25% range, longer-term target in the 30-35% range. EBIT margin guidance excludes the cost of the Management Equity Plan.

Notes:
1. Excludes the impact of the MAG transfer

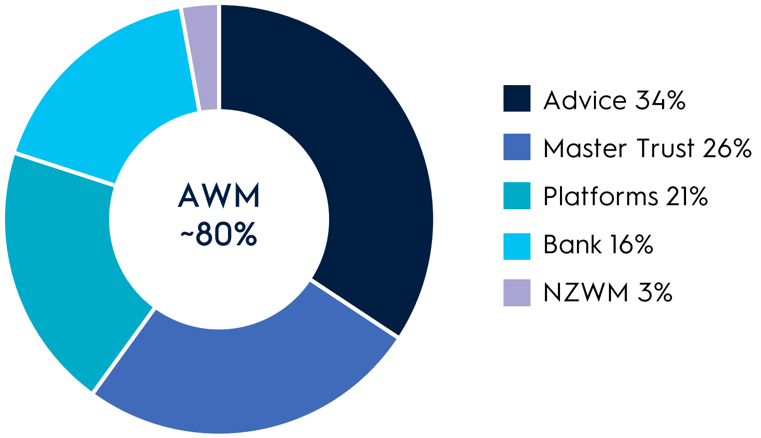
# Improved Group cost allocation

## Additional allocation of business-related costs from Group Office to increase business focus and enhance decision making

| A$m | Group Office costs | | |
|---|---|---|---|
| | 1H 21 reported | Costs allocated to AMP Ltd BUs | 1H 21 adjusted ex PrivateMarketsCo |
| Employee costs | 31 | (11) | 20 |
| Technology | 6 | (4) | 2 |
| Regulatory, insurance and professional services | 27 | (15) | 12 |
| Project costs | 11 | (8) | 3 |
| Property costs | 3 | - | 3 |
| Other operating expenses | 6 | - | 6 |
| Total controllable costs (pre tax) | 84 | (38) | 46 |
| Total controllable costs (post tax) | 59 | (27) | 32 |

- New cost allocation methodology will increase business unit and divisional focus and ensure cost accountability
- Reduction of Group Office costs to a ~A$65m (pre tax) annual run-rate post demerger
- ~A$55m (post tax) annual re-allocation of Group Office costs to business divisions, a majority to AWM
  - A$27m (post tax) transfer in 1H 21 from Group Office to business divisions

**Split of additional corporate costs allocated to business units**



# Bank – adjusted historical earnings and performance

## Productivity and process improvements to support above system growth ambitions

| Profit and loss (A$m) | Bank | | |
|---|---|---|---|
| | 1H 21 | FY 20 | FY 19 |
| Revenue | 209 | 401 | 408 |
| Variable costs | (30) | (118) | (93) |
| *- Loan impairment expense[1]* | *13* | *(31)* | *(10)* |
| **Gross Profit** | 179 | 283 | 315 |
| *Controllable* costs (total) | (59) | (124) | (125) |
| *New Group cost allocations (included in total controllable costs)[2]* | *(6)* | *(11)* | *(11)* |
| **EBIT** | 120 | 159 | 190 |
| Tax expense | (36) | (48) | (57) |
| **NPAT underlying** | 84 | 111 | 133 |

| **Key ratios and metrics** | | | |
|---|---|---|---|
| Net interest margin | 1.71% | 1.59% | 1.69% |
| Total loans (A$m) | 20,974 | 20,579 | 20,684 |
| Loan growth vs system[3] | 0.85x | 0.25x | N/A |
| Cost to income ratio[4] | 35.5% | 39.5% | 38.5% |

### Business performance and drivers

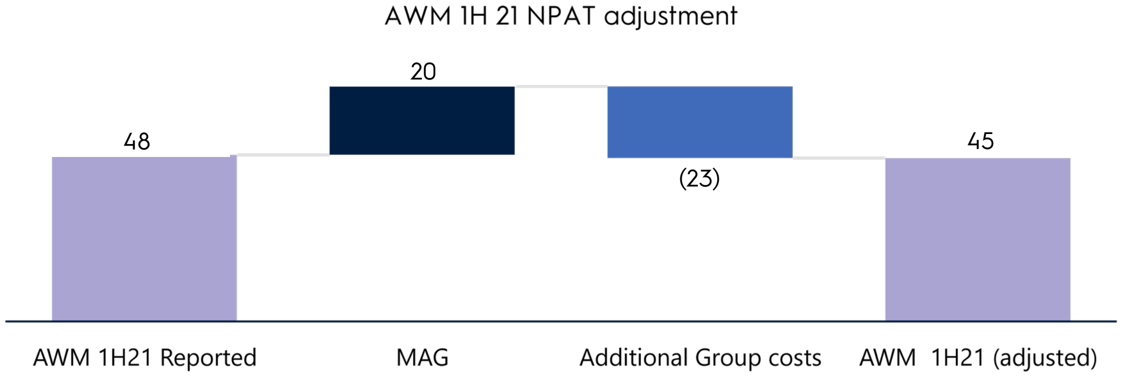
- Business well positioned for future growth, with FY 20 impacted by COVID and a deliberate response to slow growth eg adoption of more conservative lending practices
- AMP completed a A$100m platform upgrade in FY 20, resulting in uplifts in processing capability and approval times, supporting the 1H 21 financial result and the Bank's growth ambitions
  - Consistently Top 5 turnaround times for conditional approval
  - 75% improvement in automated credit decisioning rate, resulting in faster, more consistent approvals
  - Increased capacity in home loan origination by 70%
- FY 20 notably impacted by COVID, higher level of caution for lending and funding impacting profitability
  - A recovery in COVID provisions in 1H 21 has seen a positive uplift in earnings, with the market outlook post COVID now more favourable, supported by housing volumes, higher prices and macro-economic data
  - System growth expected to normalise at around 5-6% p.a. in the medium term, up from 3% p.a. since 2019
- Funding conservatism in the wake of the COVID outbreak saw a higher level of customer deposits impact NIM in FY 20
  - While the funding outlook has improved, intense competition in the mortgage market from a post-COVID re-opening is seeing continued pressure on margins
  - Deposits currently at the high end of the target range of 70-80% deposit funding
- Stronger loan growth in 2021 driven by focus on enhancing service proposition with Q3 21 growth being 1.3x system and YTD Sep-21 growth in line with system

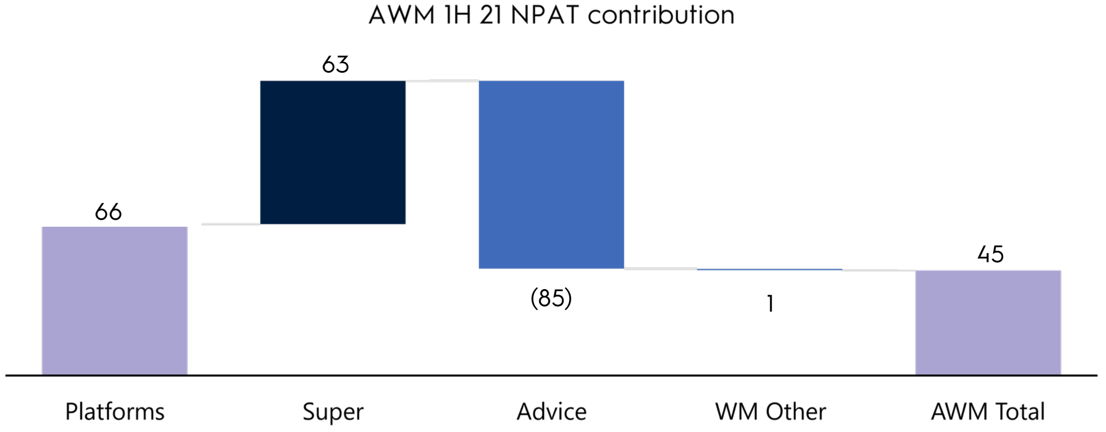
Notes:
1. Loan impairment expense shown as a subset of variable costs
2. Additional Group Office cost allocations have been made retrospectively to reflect the future allocation methodology to be adopted for Group Office. Shown as a subset of controllable costs
3. FY 19 growth not available on a like-for-like basis due to impacts from the introduction of APRA EFS reporting
4. Historical metrics restated to reflect additional Group cost allocations

# Split of Australian Wealth Management earnings

## AWM earnings perimeter adjusted for future transfer of MAG to AWM and increased Group cost allocations to business divisions

| Profit and loss (A$m) | 1H 21 – post MAG transfer[1] | | | | AWM total |
|---|---|---|---|---|---|
| | Platforms[1] | Master Trust[1] | Advice | WM & Other | 1H 21 |
| Revenue | 185 | 277 | 23 | 31 | **516** |
| Variable costs | (29) | (77) | (44) | (9) | **(159)** |
| **Gross Profit** | 156 | 200 | (21) | 22 | **357** |
| Controllable costs (total) | (67) | (110) | (101) | (21) | **(299)** |
| *New Group cost allocations (included in total controllable costs)[2]* | *(8)* | *(10)* | *(12)* | *(1)* | ***(31)*** |
| **EBIT** | 89 | 90 | (122) | 1 | **58** |
| Investment income | 5 | - | - | - | **5** |
| Tax expense | (28) | (27) | 37 | - | **(18)** |
| **NPAT underlying** | 66 | 63 | (85) | 1 | **45** |




Notes:
1. NPAT contribution from MAG transferred to Master Trust (A$11m) and Platforms (A$6m) divisions, where AUM is derived. Historical splits of MAG revenues and costs into Master Trust, Platforms and Other are illustrative, based on management estimates and may be subject to change.
2. Additional Group Office cost allocations have been made retrospectively to reflect the future allocation methodology to be adopted for Group Office. These costs are reflected within "Controllable costs (total)."
Refer to page 97

# Advice – adjusted historical earnings performance

## Business evolving to a service-led proposition for all advisers; breakeven ambition by FY 24

| Profit and loss (A$m) | Advice[1] | | |
|---|---|---|---|
| | 1H 21 | FY 20 | FY 19 |
| Revenue | 23 | 115 | 145 |
| Variable costs | (44) | (113) | (137) |
| **Gross Profit** | (21) | 2 | 8 |
| Controllable costs (total) | (101) | (207) | (204) |
| *New Group cost allocations (included in total controllable costs)[2]* | *(12)* | *(23)* | *(23)* |
| **EBIT** | (122) | (205) | (196) |
| Tax expense | 37 | 62 | 60 |
| **NPAT underlying** | (85) | (143) | (136) |

### Business performance and drivers

- The Advice business continues to evolve from a historical channel for product distribution (Life and Wealth) to a contemporary stand-alone, service offering for advice practices, in support of their clients
- The decline in revenue from FY 19 has been driven by a pro-active reshape of the advice model to a more scaled, professional and productive network, with a material reduction in practice and adviser numbers, together with the cessation of grandfathered commissions
  - Earnings have been further impacted by the allocation of additional Group costs to account for increased business risk and insurance expenses post the Royal Commission
- Announced changes to adviser terms that take effect in FY 22, including an increase in licensee fees, removal of BOLR liability and removal of institutional ownership, will contribute to a new service-focused culture and open adviser platform and will broaden revenue opportunities with the adviser market, including EFAs
- Medium-term, profitability is expected to be driven by continued cost reductions, with c. A$60m of announced variable cost savings to be achieved across FY 20 and FY 21, and modest revenue increases as the business transitions to new adviser terms

Notes:
1. Includes aligned and employed advice
2. Additional Group Office cost allocations have been made retrospectively to reflect the future allocation methodology to be adopted for Group Office. Shown as a subset of controllable costs

# Master Trust – adjusted historical earnings and key drivers

## Margins stabilising with a strong focus on cost control and investment performance

| Profit and loss (A$m) | Master Trust[1] 1H 21 | FY 20 | FY 19 |
|---|---|---|---|
| Revenue | 277 | 573 | 704 |
| Variable costs | (77) | (165) | (176) |
| **Gross Profit** | 200 | 408 | 528 |
| Controllable costs (total) | (110) | (234) | (238) |
| *New Group cost allocations (included in total controllable costs)[2]* | *(10)* | *(21)* | *(22)* |
| **EBIT** | 90 | 174 | 290 |
| Investment income | - | 3 | 13 |
| Tax expense | (27) | (51) | (88) |
| **NPAT underlying** | 63 | 126 | 215 |
| **Key ratios and metrics** | | | |
| Net cashflows (A$bn) | (2.6) | (8.4) | (6.3) |
| Revenue to avg AUM (bps) | 91 | 93 | 103 |
| Gross profit to avg AUM (bps) | 66 | 66 | 77 |
| Controllable costs to avg AUM | 36 | 38 | 35 |

### Business performance and drivers

- Platform and product consolidation now complete; re-pricing events since 2018 have impacted the revenue line, with A$245m in cumulative annual savings passed on to clients since 2019
- Master Trust simplification repricing complete 1 October 2021; business now positioned in the market with an entirely contemporary and competitive suite of products
- Revenues shown adjusted for the benefit of MAG's transition; integration to be complete by Q2 22
  - Expected to facilitate an end-to-end super and investments platform, benefitting clients and providing further operational synergies
- Limited advertising and marketing since the Royal Commission, with re-launch of a brand campaign in October expected to aide retention and future flows
  - Net cash flows materially impacted post Royal Commission, with flows in retail and corporate super beginning to improve
- Cost out program to extract increased operating leverage from the business with AUM broadly maintained over time while products have now reduced from 70 to 3
- Targeting a 20% reduction in controllable costs by FY 24 from continued product simplification and reduced cost to serve

Notes:
1. NPAT contribution from MAG transferred to Master Trust (A$11m) and Platforms (A$6m) divisions, where AUM is derived. Historical splits of MAG revenues and costs into Master Trust, Platforms and Other are illustrative, based on management estimates and may be subject to change.
2. Additional Group Office cost allocations have been made retrospectively to reflect the future allocation methodology to be adopted for Group Office. Shown as a subset of controllable costs

# Platforms – adjusted historical earnings and key drivers

## Strong operating margins with further upside from AUM growth

| Profit and loss (A$m) | Platforms[1] 1H 21 | FY 20 | FY 19 |
|---|---|---|---|
| Revenue | 185 | 360 | 383 |
| Variable costs | (29) | (64) | (64) |
| **Gross Profit** | 156 | 296 | 319 |
| Controllable costs (total) | (67) | (139) | (148) |
| *New Group cost allocations (included in total controllable costs)[2]* | *(8)* | *(15)* | *(15)* |
| **EBIT** | 89 | 157 | 171 |
| Investment income | 5 | (5) | 6 |
| Tax expense | (28) | (46) | (52) |
| **NPAT underlying** | 66 | 106 | 125 |

| **Key ratios and metrics** | 1H 21 | FY 20 | FY 19 |
|---|---|---|---|
| Net cashflows (A$bn) | (0.12) | 0.11 | (0.03) |
| NPAT margin | 36% | 29% | 32% |
| Cost to avg AUM | 21 | 22 | 24 |
| Gross profit to avg AUM (bps) | 48 | 47 | 51 |

### Business performance and drivers

- Revenues predominantly driven by flows into flagship platform, MyNorth, accounting for A$47bn of total North AUM of A$57bn
  - Revenues shown adjusted for the benefit of MAG's transition, integration to be complete by Q2 22
  - Historical revenues also impacted by outflows from the advice reshape
- North maintains a leading position in the market as one of the largest incumbent platforms and continues to invest to maintain a strong market position
  - Currently ranked in the top quartile for price and functionality
  - Recent platform enhancements include launch of equity managed portfolios, continued investment to simplify the advice process for advisers, including improved switching ability, increased investment options and expansion of the North Guarantee offer
- Historically, North has focused on AMP's aligned advice network and is now actively expanding its EFA footprint, in line with our open advice strategy
  - EFAs currently account for 18% of AUM on platform
- North re-pricing has impacted historical revenues with margins decreasing from 57 to 50bps since FY 19
- The North Guarantee remains a key differentiator for North, although can introduce earnings volatility given the capital guaranteed nature of the product

Notes:
1. NPAT contribution from MAG transferred to Master Trust (A$11m) and Platforms (A$6m) divisions, where AUM is derived. Historical splits of MAG revenues and costs into Master Trust, Platforms and Other are illustrative, based on management estimates and may be subject to change.
2. Additional Group Office cost allocations have been made retrospectively to reflect the future allocation methodology to be adopted for Group Office. Shown as a subset of controllable costs

# NZWM – adjusted historical earnings and key drivers

## An efficient and standalone business focused on client outcomes

| Profit and loss (A$m) | NZWM | | |
|---|---|---|---|
| | 1H 21 | FY 20 | FY 19 |
| Revenue | 76 | 151 | 159 |
| Variable costs | (32) | (64) | (63) |
| **Gross Profit** | 44 | 87 | 96 |
| Controllable costs (total) | (18) | (38) | (35) |
| *New Group cost allocations (included in total controllable costs)[1]* | *(1)* | *(1)* | *(1)* |
| **EBIT** | 26 | 49 | 61 |
| Tax expense | (7) | (14) | (18) |
| **NPAT underlying** | 19 | 35 | 43 |
| **Key ratios and metrics** | | | |
| Net cashflows (A$m) | (249) | (57) | (433) |
| Cost to Income ratio | 40.9% | 43.7% | 36.5% |
| ROE | 54.7% | 39.6% | 40.1% |

### Business performance and drivers

- Revenue is primarily derived from wealth management products, including KiwiSaver, corporate superannuation and investments, advice and general insurance distribution
- Wealth management revenues in recent years have been impacted by margin compression following heightened market competition (particularly in KiwiSaver) and increasing regulatory focus on fees
- In July 21, NZWM transitioned ~A$9.4b of AUM to a BlackRock index-based investment strategy with a heightened ESG focus and lower costs for clients
- Cashflows have been impacted by historical investment returns and brand impacts, with recent changes to the investment strategy expected to drive greater client retention and improved cashflows
- NZWM is an operationally efficient business, with a high ROE and low cost to income. There is limited scope for further cost out with bottom line growth to be driven by improved investment performance and cash flows
- In FY 19, NZWM restructured its advice distribution network, recontracting aligned advisers to standard IFA distribution agreements, reducing risk to AMP ahead of legislative changes

Note:
1. Additional Group Office cost allocations have been made retrospectively to reflect the future allocation methodology to be adopted for Group Office. Shown as a subset of controllable costs

# AMP adjusted historical earnings reflect future MAG transfer and Group allocations

## Earnings adjusted for perimeter changes on demerger and further Group cost allocations to business divisions



| Profit and loss (A$m) | Bank | | | AWM[1] | | | NZWM | | | Group | | | AMP Ltd total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1H 21 | FY 20 | FY 19 | 1H 21 | FY 20 | FY 19 | 1H 21 | FY 20 | FY 19 | 1H 21 | FY 20 | FY 19 | 1H 21 | FY 20 | FY 19 |
| Revenue | 209 | 401 | 408 | 516 | 1,108 | 1,304 | 76 | 151 | 159 | 9 | 15 | 15 | **810** | **1,675** | **1,886** |
| Variable costs | (30) | (118) | (93) | (159) | (359) | (398) | (32) | (64) | (63) | - | - | - | **(221)** | **(541)** | **(554)** |
| **Gross Profit** | 179 | 283 | 315 | 357 | 749 | 906 | 44 | 87 | 96 | 9 | 15 | 15 | **589** | **1,134** | **1,332** |
| Controllable costs (total) | (59) | (124) | (125) | (299) | (626) | (645) | (18) | (38) | (35) | (46) | (122) | (112) | **(422)** | **(910)** | **(917)** |
| *New Group cost allocations (included in total controllable costs)[2]* | *(6)* | *(11)* | *(11)* | *(31)* | *(60)* | *(61)* | *(1)* | *(1)* | *(1)* | *38* | *72* | *73* | - | - | - |
| **EBIT** | **120** | **159** | **190** | **58** | **123** | **261** | **26** | **49** | **61** | **(37)** | **(107)** | **(97)** | **167** | **224** | **415** |
| Interest expense | - | - | - | - | - | - | - | - | - | (30) | (73) | (83) | **(30)** | **(73)** | **(83)** |
| Investment income [3] | - | - | - | 5 | (2) | 19 | - | - | - | 51 | 30 | (34) | **56** | **28** | **(15)** |
| Tax expense | (36) | (48) | (57) | (18) | (34) | (80) | (7) | (14) | (18) | 16 | 54 | 67 | **(45)** | **(42)** | **(88)** |
| **NPAT underlying** | 84 | 111 | 133 | 45 | 87 | 200 | 19 | 35 | 43 | - | (96) | (147) | **148** | **137** | **229** |

Notes:
1. Earnings contribution from MAG transferred to Master Trust (A$11m) and Platforms (A$6m) divisions within AWM, where AUM is derived. Historical splits of MAG revenues and costs into Master Trust, Platforms and Other are illustrative, based on management estimates and may be subject to change.
2. Additional Group Office cost allocations have been made retrospectively to reflect the future allocation methodology to be adopted for Group Office. Shown as a subset of controllable costs.
3. Group investment income adjusted to reflect CLAMP perimeter change from AMP Capital to AMP Ltd

# AWM adjusted historical earnings reflect future MAG transfer and Group allocations

## Earnings perimeter adjusted for future transfer of MAG to AWM and increased Group cost allocations to business divisions

| Profit and loss (A$m) | Platforms[1] | | | Master Trust[1] | | | Advice | | | Wealth & Other | | | AWM total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1H 21 | FY 20 | FY 19 | 1H 21 | FY 20 | FY 19 | 1H 21 | FY 20 | FY 19 | 1H 21 | FY 20 | FY 19 | 1H 21 | FY 20 | FY 19 |
| Revenue | 185 | 360 | 383 | 277 | 573 | 704 | 23 | 115 | 145 | 31 | 60 | 72 | 516 | 1,108 | 1,304 |
| Variable costs | (29) | (64) | (64) | (77) | (165) | (176) | (44) | (113) | (137) | (9) | (17) | (21) | (159) | (359) | (398) |
| Gross Profit | 156 | 296 | 319 | 200 | 408 | 528 | (21) | 2 | 8 | 22 | 43 | 51 | 357 | 749 | 906 |
| Controllable costs (total) | (67) | (139) | (148) | (110) | (234) | (238) | (101) | (207) | (204) | (21) | (46) | (55) | (299) | (626) | (645) |
| *New Group cost allocations (included in total controllable costs)[2]* | *(8)* | *(15)* | *(15)* | *(10)* | *(21)* | *(22)* | *(12)* | *(23)* | *(23)* | *(1)* | *(1)* | *(1)* | *(31)* | *(60)* | *(61)* |
| **EBIT** | **89** | **157** | **171** | **90** | **174** | **290** | **(122)** | **(205)** | **(196)** | **1** | **(3)** | **(4)** | **58** | **123** | **261** |
| Interest expense | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Investment income | 5 | (5) | 6 | - | 3 | 13 | - | - | - | - | - | - | 5 | (2) | 19 |
| Tax expense | (28) | (46) | (52) | (27) | (51) | (88) | 37 | 62 | 60 | - | 1 | - | (18) | (34) | (80) |
| NPAT underlying | 66 | 106 | 125 | 63 | 126 | 215 | (85) | (143) | (136) | 1 | (2) | (4) | 45 | 87 | 200 |

Notes:
1. NPAT contribution from MAG transferred to Master Trust (A$11m) and Platforms (A$6m) divisions, where AUM is derived. Historical splits of MAG revenues and costs into Master Trust, Platforms and Other are illustrative, based on management estimates and may be subject to change.
2. Additional Group Office cost allocations have been made retrospectively to reflect the future allocation methodology to be adopted for Group Office. Shown as a subset of controllable costs

# PrivateMarketsCo

## Historical earnings profile

Recent business performance impacted by irregularity of performance and transaction fees and COVID-19 related impacts on some seed & sponsor asset classes

| | Infra equity | | | Infra debt | | | Real estate | | | Corporate operations[1] | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Profit and loss (A$m) | 1H 21 | FY 20 | FY 19 | 1H 21 | FY 20 | FY 19 | 1H 21 | FY 20 | FY 19 | 1H 21 | FY 20 | FY 19 | 1H 21 | FY 20 | FY 19 |
| Revenue (total) | 85 | 198 | 261 | 28 | 78 | 50 | 91 | 194 | 244 | - | 1 | 1 | 204 | 471 | 556 |
| Base management fees[2] | 76 | 178 | 182 | 26 | 49 | 37 | 52 | 119 | 122 | - | 1 | 1 | 154 | 347 | 342 |
| Non-AUM based management fees[3] | 3 | 5 | 6 | - | - | - | 35 | 67 | 86 | - | - | - | 38 | 72 | 92 |
| Performance and transaction fees | 6 | 17 | 45 | 0 | 24 | 11 | 2 | 4 | 24 | - | - | - | 8 | 45 | 80 |
| Seed & Sponsor | - | (2) | 28 | 2 | 5 | 2 | 2 | 4 | 12 | - | - | - | 4 | 7 | 42 |
| Controllable costs | (60) | (116) | (111) | (30) | (50) | (40) | (47) | (101) | (125) | (23) | (49) | (55) | (160) | (316) | (331) |
| **EBIT** | **25** | **82** | **150** | **(2)** | **28** | **10** | **44** | **93** | **119** | **(23)** | **(48)** | **(54)** | **44** | **155** | **225** |
| Interest expense | (2) | (4) | (5) | (2) | (3) | (3) | (1) | (4) | (5) | - | - | - | (5) | (11) | (13) |
| Investment income | - | - | - | - | - | - | - | - | - | 1 | 2 | 1 | 1 | 2 | 1 |
| Tax expense | (3) | (13) | (28) | 1 | (4) | (1) | (7) | (15) | (22) | 2 | 6 | 9 | (7) | (26) | (42) |
| **NPAT underlying[4]** | **20** | **65** | **117** | **(3)** | **21** | **6** | **36** | **74** | **92** | **(20)** | **(40)** | **(44)** | **33** | **120** | **171** |

Notes:
1. Corporate related support function costs.
2. Represents core funds management fees (AUM driven).
3. Comprised mainly of real estate property management, leasing and development fees, asset management fees and joint venture equity accounted income.
4. Excludes minority interest attributable to MUTB in FY 19 and FY 20

# China Life Pension Company (CLPC)

## Established 2007, partnership since 2015, 19.99% ownership

- Only operating foreign pension JV in the Chinese domestic market
- Competes for pension (superannuation) business across all of China's 3-pillar system
- Focused on Pillar 2, akin to corporate super – Enterprise annuities (EA) and Occupational Pensions (OP); only ~15% market penetration
- Significant growth opportunity from continued market adoption and likelihood of transition to compulsory contributions; OP now compulsory
- FY 20: 28% profit growth and 26% AUM growth
- First CLPC dividend declared in June 2021 for FY 20; cash payment to AMP of ~A$7m
- AUM growth above system over the past five years

### Key drivers

- Rapidly ageing population; 25% over 60 by 2030
- Retirement age reforms, low pension balances
- Low penetration of retail pension; currently non-compulsory
- Increasing expectation of self-sufficient retirement
- Anticipated further tax incentives

# China Life AMP Asset Management Company Limited (CLAMP)

## Established 2013, AMP a founding partner, 14.97% ownership

- Distributes and manages investment solutions for over 1m retail customers and 3,000 institutional clients, via direct sales, agents and third party channels
- Retail and institutional channel distribution includes listed money market, fixed income, active equity, index and balanced fund products
- Over 170 products launched since inception
- 1H 21 AUM of A$65.4bn (RMB 318bn)

**PUBLIC MUTUAL FUNDS**

Market size: RMB 23.5 trillion as at July 2021

CLAMP's flagship money market and fixed income funds continuously ranked top quartile

**SEPARATELY MANAGED ACCOUNTS (SMAS)**

Market size: RMB 17 trillion as at December 2020

CLAMP's fastest growing segment, with more stable cash flows than public mutual funds

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## Key drivers

- High population savings rates expected to transition to investments
- Government support for development of capital markets
- Growing institutional investment market
- CLAMP is licensed for future offshore investment; new market opportunity

# PRIVATEMARKETSCO APPENDIX

# EXPERIENCED GLOBAL BOARD TO BE IN PLACE PRIOR TO LISTING

**Patrick Snowball**
Chairman Designate

*London*

**Andrew Fay**
Deputy Chairman Designate

*Sydney*

**Shawn Johnson***
Chief Executive Officer

*New York (current)*

**Michael Sammells**
Director

*Sydney*

**Global search underway**
for additional independent, non-executive directors

*An employee of AMP Capital Investors (US) Ltd, a US registered investment advisor that offers non-discretionary advisory services to its affiliates, AMP Capital Investors Limited and AMP Capital Investors (UK) Limited through a services agreement. Registration as a US Investment Advisor does not imply a certain level of training.

# GLOBAL LEADERSHIP TEAM WITH STRONG TRACK RECORD

**Shawn Johnson***
CEO
*New York (current)*

**Kylie O'Connor**
Global Head of Real Estate
*Sydney*

**Patrick Trears***
Global Head of Infrastructure Debt
*New York*

**Ruben Bhagobati**
Global Co-Head of Value-Added Infrastructure Equity
*London*

**Damian Stanley**
Global Co-Head of Value-Added Infrastructure Equity
*Singapore*

**Michael Bessell**
Global Co-Head of Core Infrastructure Equity
*Sydney*

**Michael Cummings**
Global Co-Head of Core Infrastructure Equity
*Sydney*

**Oliver Stiles**
CFO (Acting)
*Sydney*

**Tim Smith***
Global Head of Client Solutions (Acting)
*New York*

**Andrew McGregor**
Global Head of Debt Advisory
*Melbourne*

**Julie Tanner**
Chief People Officer (Acting)
*Sydney*

**Yen Hui Tie**
General Counsel
*Sydney*

**Natalie Kooyman**
Chief Risk Officer
*Sydney*

**Josh Waterhouse**
Global Head of Corporate Strategy & Product Development
*Sydney/London*

## International reach

Sydney, New York, London, Singapore

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## 24 years

average industry experience of investment professionals

*An employee of AMP Capital Investors (US) Ltd, a US registered investment advisor that offers non-discretionary advisory services to its affiliates, AMP Capital Investors Limited and AMP Capital Investors (UK) Limited through a services agreement. Registration as a US Investment Advisor does not imply a certain level of training.

# PRIVATEMARKETSCO HISTORICAL EARNINGS PROFILE

| PMCo (A$m) | FY 15 | FY 16 | FY 17 | FY 18 | FY 19 | FY 20 |
|---|---|---|---|---|---|---|
| Base management revenue | 142 | 180 | 207 | 250 | 342 | 347 |
| Non AUM based revenue | 71 | 76 | 72 | 88 | 92 | 72 |
| Performance and transaction | 38 | 62 | 72 | 66 | 80 | 25 |
| Carried interest | 0 | 0 | 0 | 0 | 0 | 20 |
| Seed and sponsor gross income | 8 | 15 | 11 | 25 | 42 | 7 |
| **Total revenue** | **259** | **333** | **362** | **429** | **556** | **471** |
| **Costs** | **(192)** | **(213)** | **(235)** | **(266)** | **(331)** | **(316)** |
| **EBIT** | **67** | **120** | **127** | **163** | **225** | **155** |
| **EBIT margin** | **26%** | **36%** | **35%** | **38%** | **40%** | **33%** |

# REAL ESTATE

# REAL ESTATE

## ONE OF THE LARGEST AND MOST EXPERIENCED DIRECT REAL ESTATE FUND MANAGERS IN ASIA PACIFIC REGION

**Deep experience**
Real estate heritage of over 60 years

**Top 8**
APAC real estate manager[1]

**A$24.7bn**
Invested AUM[2]

Vertically integrated fund and property management platform with **over 500 dedicated real estate professionals**

**75 assets** managed in Australia and New Zealand**

### Sector Expertise[3]

**Retail (41% of portfolio)**

**Office (56% of portfolio)**

**Logistics (3% of portfolio)**

### AUM Overview

| Fund Type | Institutional | Retail | Separately Managed Accounts |
|---|---|---|---|
| AUM[4] (A$bn) | 11.5 | 2.2 | 8.5 |
| Risk Profile | Core | Core to Core Plus | Core to Opportunistic |

### ESG Leader

- **GRESB**: 92% average score across all funds (outperforming global average by 19 points)*
- 25% reduction in energy intensity over past five years
- **Net Zero:** 43% of real estate AUM Zero Net Carbon as of 1 Jan 2022; 100% planned for 2023

### 2021 Milestones

- **Quay Quarter Sydney** – landmark A$3bn+ mixed use precinct with 6 Star Green Star design nearing completion
- **Office Strategy** – sector leader over one, two and three-year performance periods***
- **Karrinyup Shopping Centre** – A$800m shopping centre delivered, first of 350 residential apartments under construction
- **Brookfield Place** – 75% ownership secured (valued at A$1.6bn)**
- **Retail Strategy** – A$2.2bn recapitalisation completed

*Select investments shown for illustrative purposes only*

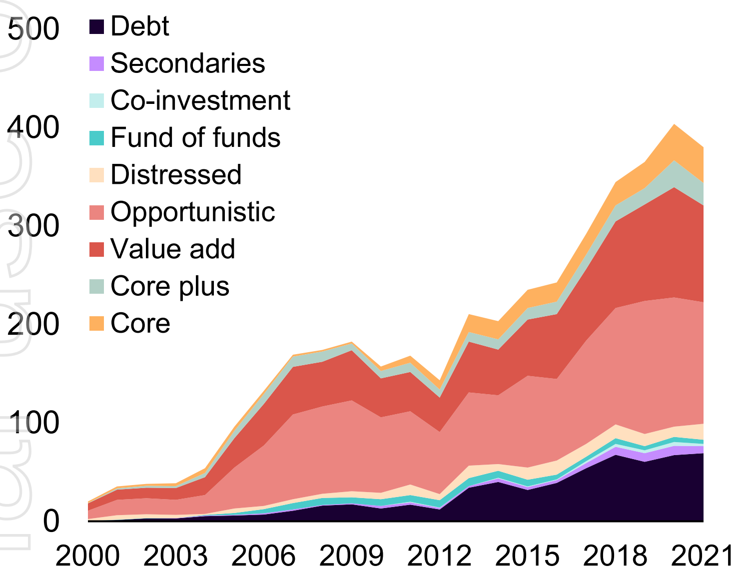
1. Rankings per ANREV Survey 2021, top 10 managers by non-listed real estate funds AUM Asia-Pac strategy
2. AUM provided as at 30 June 2021; invested AUM excluding uncalled commitments, includes JV-related AUM excluding CLAMP
3. Sector split as at 30 June 2021; excludes JV-related AUM, and AUM from listed securities
4. AUM overview excludes JV-related AUM, AUM from funds in wind-down, and is net of cross-holdings

** GRESB real estate 2021 benchmark assessed against 1,411 participants based on systematic reporting, objective scoring and peer benchmarking of ESG management and performance*
*** As at June 30, 2021*
**** MSCI/Mercer Australia Core Wholesale Monthly PFI – June 2021*

# SUSTAINED INVESTMENT MOMENTUM FOR REAL ESTATE

## CAPITAL ALLOCATIONS TO REAL ESTATE AT RECORD LEVELS

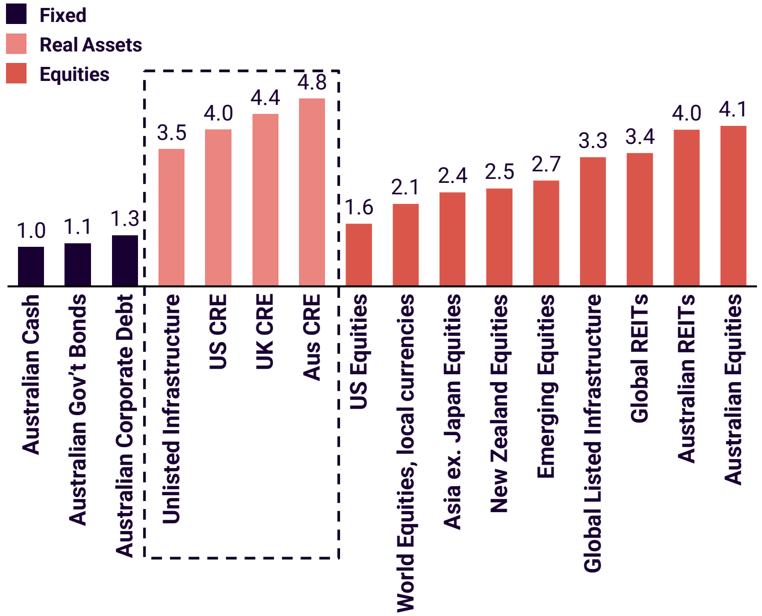
**Global real estate dry powder[1] (US$bn)**




**Capital formation is growing at every entry point of the real estate risk curve**

## REAL ESTATE IS DELIVERING SUPERIOR INCOME RETURNS

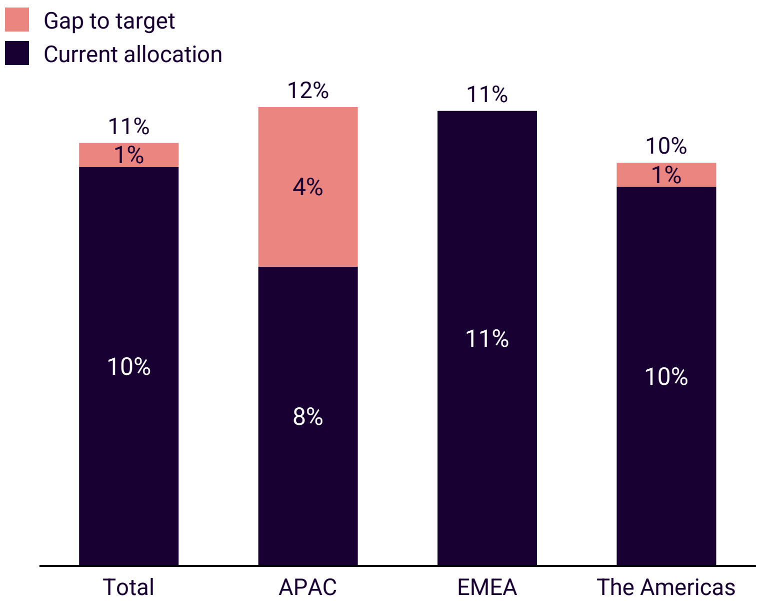
**Current yield[2] (%)**




**Real assets providing low risk and higher income return relative to their peers**

## SIGNIFICANT APPETITE TO INCREASE REAL ESTATE INVESTMENT IN APAC

**Current vs. target allocation to real estate[3]**




**Significant market opportunity in APAC for new real estate funds to meet investor demand**

1. Preqin (Oct-21); AMP Capital. Note: Primarily closed-end fund data
2. Current dividend yield for shares, NOI yields for real estate, and 5 year bond yield for bonds. MSCI as at 30 June 2021
3. Cornell University's Baker Program in Real Estate and Hodes Weill & Associates

# VALUE ENHANCING INVESTMENT APPROACH

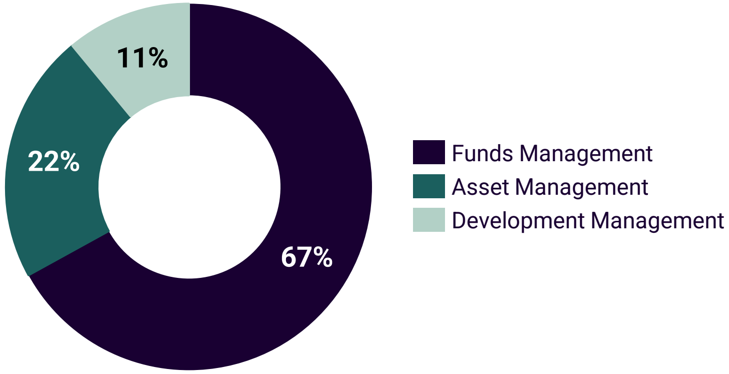


## FUNDS MANAGEMENT INTEGRATED WITH ACTIVE ASSET MANAGEMENT EXPERTISE TO DELIVER VALUE

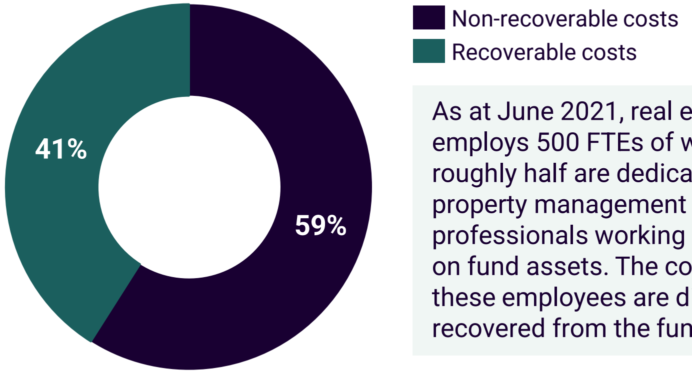
Vertically integrated model

| | | |
|---|---|---|
| **Funds Management** | **Comprehensive funds management service offering**<br>• Portfolio construction<br>• Capital management<br>• ESG<br>• Transactions and origination | **Funds management revenue**<br>FUM x agreed fee level for each fund / mandate |
| **Asset Management** | • Delivering sustainable asset returns<br>• Optimising income through strategic asset planning<br>• Driving strong leasing outcomes<br>• Effectively managing partnerships | **Property management revenue**<br>% of annual gross income of assets<br><br>**Leasing revenue**<br>% of first year rent |
| **Asset Creation & Development Management** | Creation of innovative real estate solutions, underpinned by market-leading development capability and risk management framework | **Development revenue**<br>% of total construction costs and earned on a milestone basis |

### Split of revenues excluding JV income (FY 20)



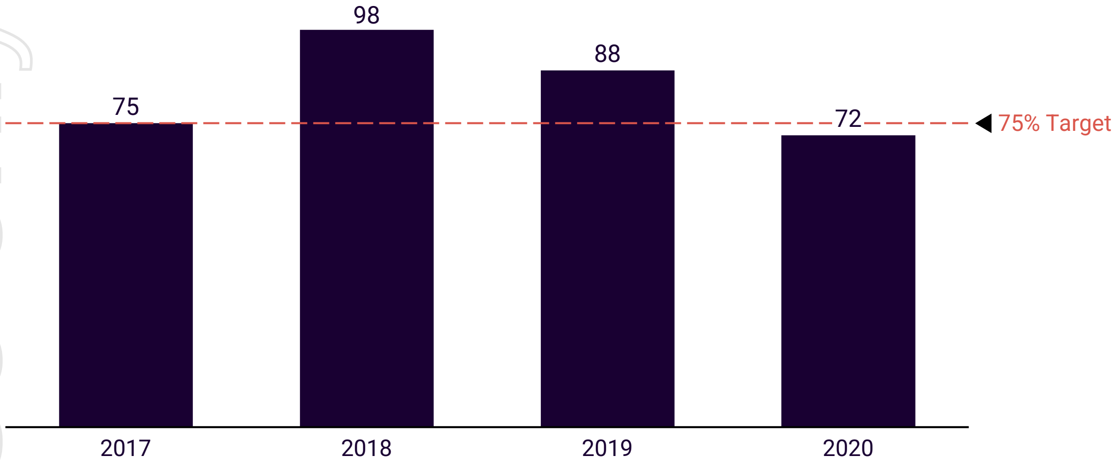

### Recoverable vs non-recoverable costs (FY 20)



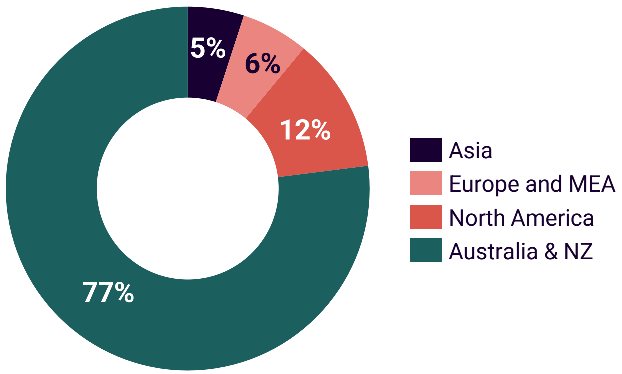

As at June 2021, real estate employs 500 FTEs of which roughly half are dedicated property management professionals working directly on fund assets. The cost of these employees are directly recovered from the funds

# REAL ESTATE

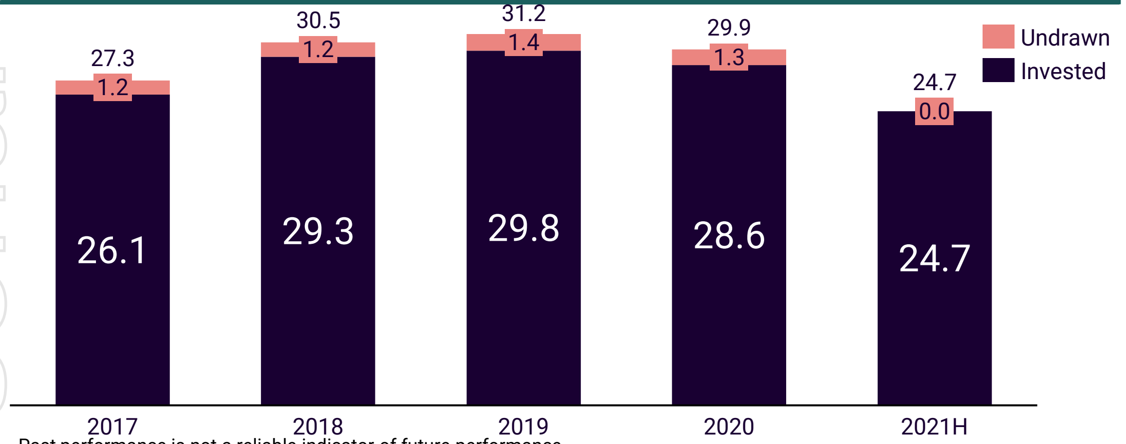
## % of AUM performing above benchmark (3-year rolling)[1]



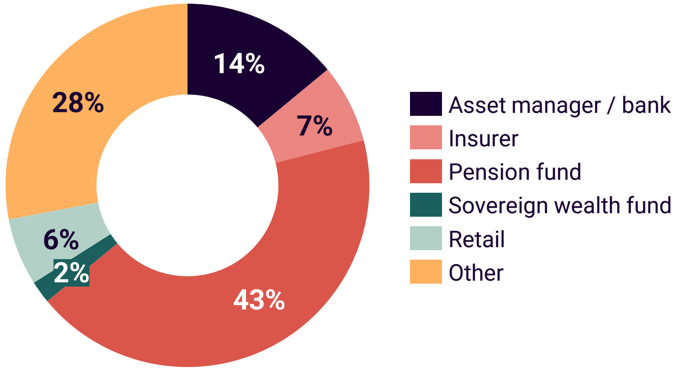

## AUM by geographical region as at 30 June 2021[2]




## AUM profile (A$bn)[3]




## AUM by investor type as at 30 June 2021[2]




1. Past performance is not a reliable indicator of future performance
2. Invested AUM excluding uncalled commitments, includes JV-related AUM excluding CLAMP. AUM by investor type indicative based on internal analysis
3. AUM profile displays invested AUM and uncalled capital commitments. Decrease of 2020 AUM of A$28.6bn to A$24.7bn in 2021H driven by loss of ADPF

# INFRASTRUCTURE EQUITY

# INFRASTRUCTURE EQUITY

## LEADING GLOBAL MANAGER IN INFRASTRUCTURE EQUITY

**Leading mid-market deal experience**
A$200 – 700m

**Top 10**
Global infrastructure equity manager[1]

**A$19.0bn**
Invested AUM[2]

**Over 50 investment professionals**

**53 investments**
managed across Europe, North America, New Zealand, Australia, India and South America

### Sector Expertise

Transport/ Logistics | Energy/Utilities | Health/Social | Digital | PPP

### AUM Overview

| Fund Type | Global Infrastructure Platform (GIF) | Institutional | Retail | Separately Managed Accounts |
|---|---|---|---|---|
| AUM[2] (A$bn) | 8.8 | 4.3 | 0.9 | 5.0 |
| Risk Profile | Core Plus to Opportunistic | Core to Core Plus | Core | Core to Core Plus |
| Target Return Ranges (Gross)[3] | 12 – 15% | 7 – 12% | 7 – 10% | 7 – 12% |

### Awards and recognition

**2021 Social Infrastructure Deal of the Year, Enel X**
LatinFinance Project & Infrastructure Finance Awards

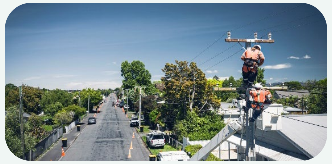
**2020 Sustainable Investor of the Year and Transport Investor of the Year, North America**
Infrastructure Investor Awards

**2020 Institutional Asset Management Award**
Insurance Asia News

**2019 Digital Infrastructure Investor of the Year, North America**
Infrastructure Investor Awards


**Royal Adelaide Hospital**


**London Luton Airport**


**PowerCo**


**Everstream**

*Select investments shown for illustrative purposes to display variety of investment profiles, sectors, and geographies. All image rights belong to respective owners.*

1. Rankings per Infrastructure Investor 100 2021, league table based on capital raised over preceding 5-year period
2. AUM is provided as at 30 June 2021; invested AUM excluding uncalled commitments
3. Target returns are merely an estimate. They are not meant to predict the returns of the investments. There can be no guarantee that the strategy will meet its investment objective or that any targeted levels of returns will be achieved

# VALUE ADD INVESTMENT PROCESS

## ACTIVE MANAGEMENT EXPERIENCE INTEGRATED ACROSS ONE GLOBAL PLATFORM TO DELIVER VALUE

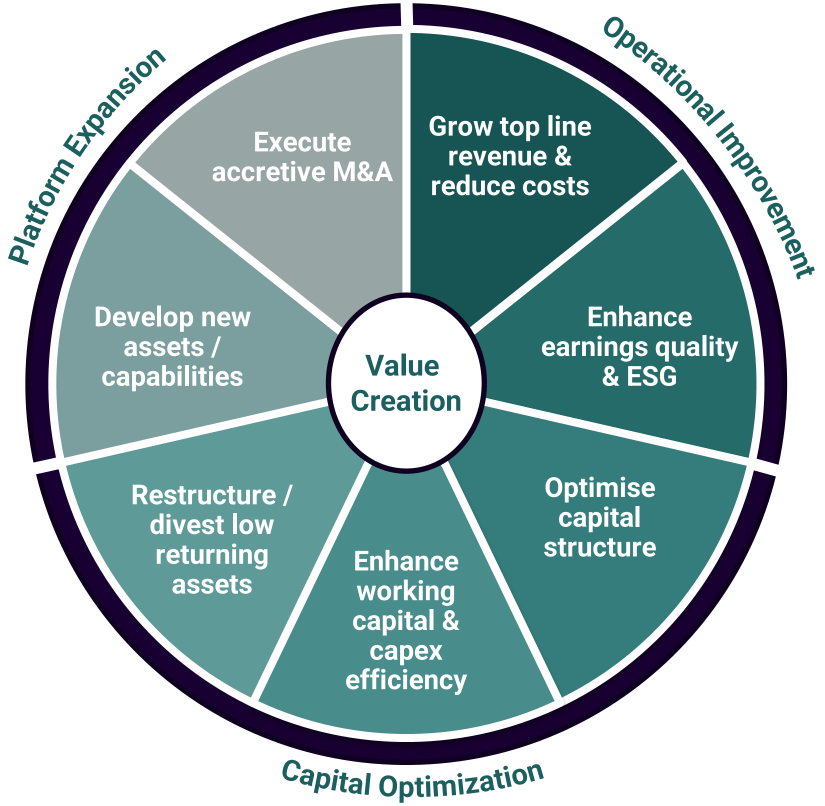
**Mid-market deal experience**
Less competitive | Deep market | Relative value

**Control**
Majority ownership to drive governance

**Infrastructure thematic**
High operational barriers, essential service

**Platforms for growth**
Under-managed or under-optimised assets scalable via organic expansion or M&A

**Favourable megatrends**
Urbanisation | Reliance on energy | Transfer & storage of data | Ageing population




**Global ESG Benchmark for real assets (GRESB)[1]**

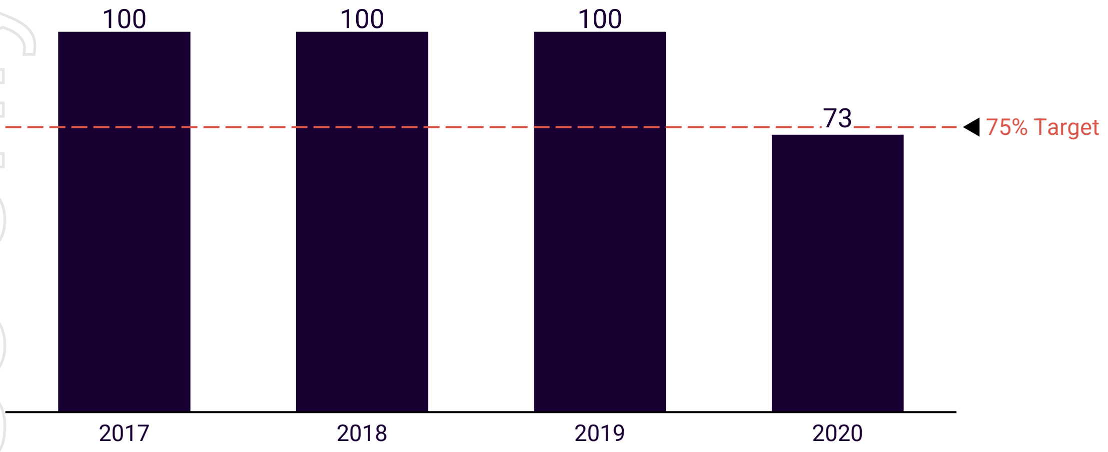
**PMCo funds score above the typical peer on GRESB benchmarks**
(Maximum 100)

| **PMCo Average Fund Results[2]** | | Global Fund Average in 2021 |
|---|---|---|
| **84 infrastructure** | **>** | 77 infrastructure |

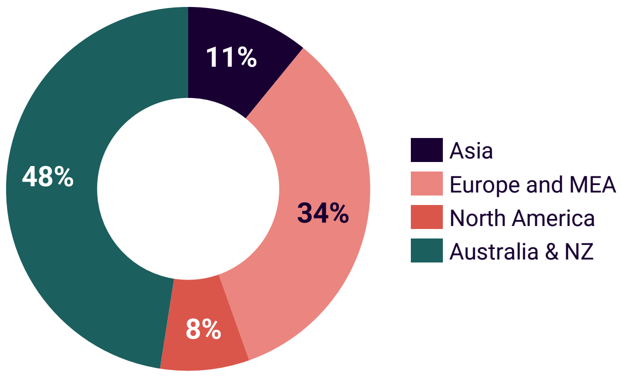
1. GRESB infrastructure 2021 benchmark assessed across 106 infrastructure funds based on systematic reporting, objective scoring and peer benchmarking of ESG management and performance
2. Across 2021 assessed funds

# INFRASTRUCTURE EQUITY

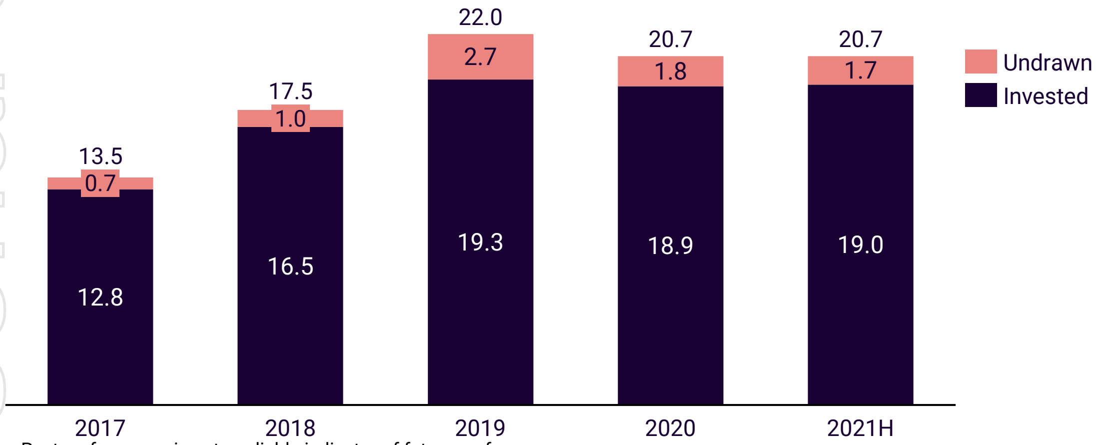
## % of AUM performing above benchmark (3-year rolling)[1]



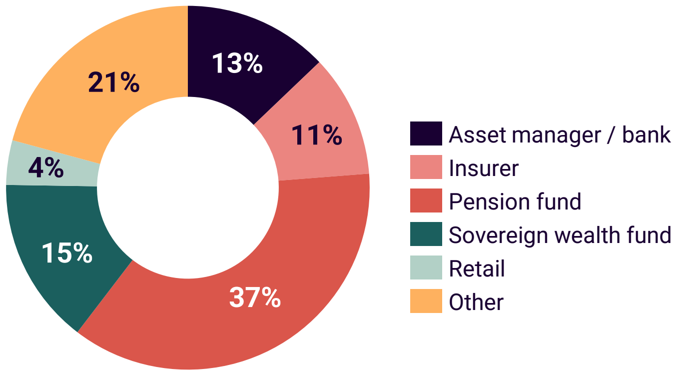

## AUM by geographical region as at 30 June 2021[2]




## AUM profile (A$bn)[3]




## AUM by investor type as at 30 June 2021[2]




1. Past performance is not a reliable indicator of future performance
2. AUM is provided as at 30 June 2021; invested AUM excluding uncalled commitments. AUM by investor type indicative based on internal analysis
3. AUM profile displays invested AUM and uncalled capital commitments

# INFRASTRUCTURE DEBT

# INFRASTRUCTURE DEBT



## GLOBAL MARKET LEADER IN INFRASTRUCTURE MEZZANINE DEBT

**Global market leader**
infrastructure mezzanine debt

**Top 6**
Global infrastructure debt manager[1]

**A$6.9bn**
Invested AUM[2]

**18 investment professionals**

**90 investments**
over 20 years

### Sector Expertise

**Transport**

**Energy/Utilities**

**Digital**

### AUM Overview

| Fund Type | Infrastructure debt platform |
|---|---|
| AUM[2] (A$bn) | 6.9 |
| Risk Profile | Subordinated / mezzanine |
| Target Return Ranges[3] | 9 - 10% Gross IRR |

### Awards and recognition

**Best Debt Fund Manager**
IJInvestor Awards 2019, 2020

**Debt Fundraising of the Year – Global**
Infrastructure Investor 2019

**Swancor Renewable Energy**

**Peel Ports**

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# VALUE ADD INVESTMENT PROCESS: DEBT



## PRICING STRENGTH, BESPOKE MEZZANINE SOLUTIONS AND EXECUTION STRENGTH DRIVE DEBT OUTCOMES FOR CLIENTS

### Valuation creation pyramid

**Pricing strength**

- Track record over 20 years as one of the most established infrastructure debt investors
- Leading pricing capability and risk adjusted framework

**Bespoke mezzanine solutions**

- Deep experience in mezzanine deals and subordinated arrangements
- Flexibility with inhouse structuring strength and capability

**Execution strength**

- Leverage reputation to drive efficient results
- Capability of investing US$750m per transaction as anchor, sole or majority lender eliminating syndication risk

### Case Study: Leading global renewable energy company

PMCo sole leader arranger and structuring on C$100m+ of subordinated debt

**Value add**

- Sole Mandated Lead Arranger of the subordinated debt facility, leading the negotiations and structuring the investment
- Execution of complex, bespoke debt solution with quality and speed

### Case Study: Leading wireless communications infrastructure provider

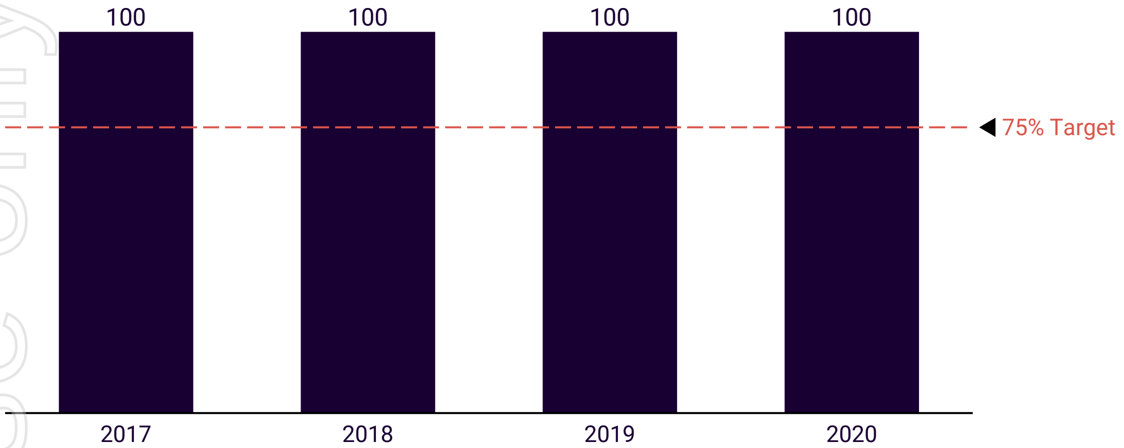
PMCo lead arranger of subordinated debt financing up to €750m

**Value add**

- Sourced on a proprietary basis through existing and strong relationships
- Utilised structuring skills as lead arranger to provide a complex & bespoke solution for the Sponsor, including lender protections through a comprehensive covenant package
- Represents a strategic first step towards building key relationship with one of the leading global owners and operators of tower infrastructure

# INFRASTRUCTURE DEBT

## % of AUM performing above benchmark (3-year rolling)[1]

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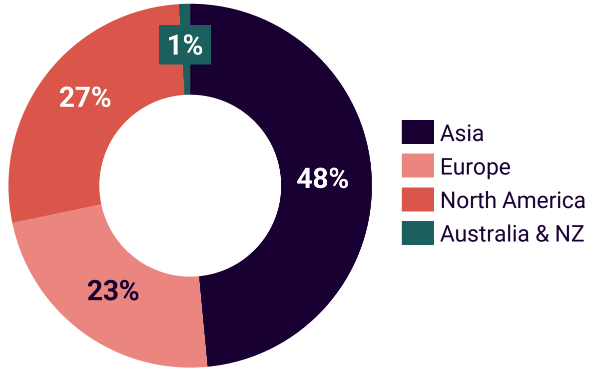


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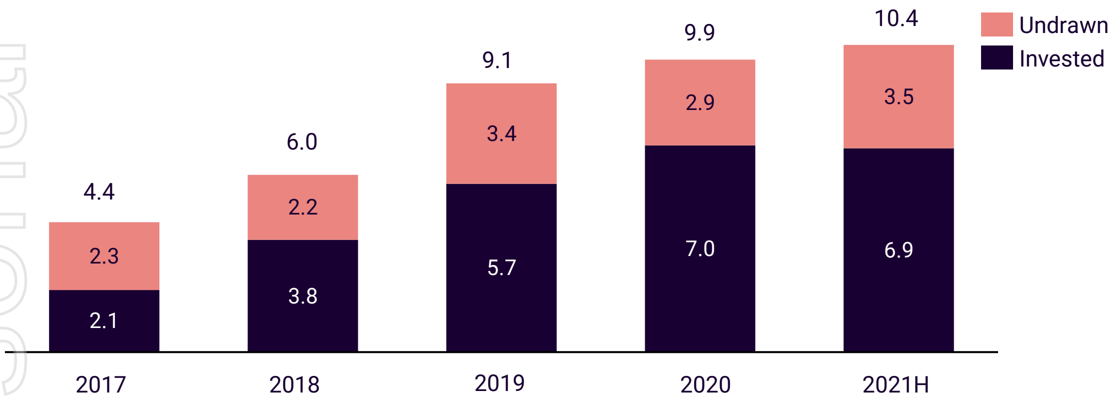


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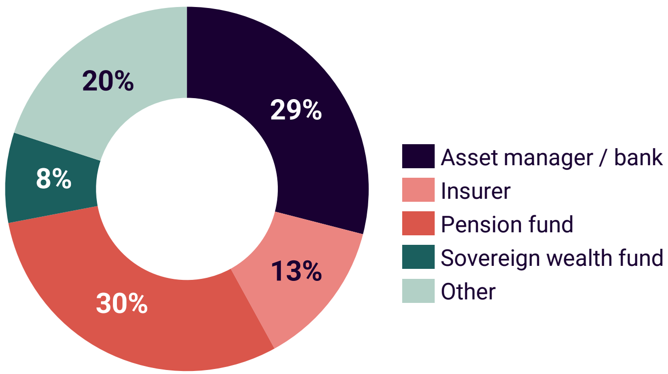


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