

FY 23 Results

14 February 2024

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Agenda

1. FY 23 overview
2. Financial results and business unit performance
3. Costs
4. Capital
5. Summary
6. Q&A

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FY 23 overview

Alexis George, CEO



Overview



- **Major transactions completed** to further the simplification of portfolio
- Significant **legacy legal matters resolved**
- **Delivered on cost-out program for FY 23**
 - Remain committed to cost-out target of \$120m by FY 25
- **Focused strategy** to address differing dynamics in various business segments and improve overall return on capital
- **Prudent management of balance sheet** – including net debt reduction of \$337m in FY 23, and pre-funding of FY 24 maturities
- **Tranche 3 capital return of \$350m to commence** with FY 23 final dividend of 2.0cps (\$55m) and up to \$295m on-market share buyback

Group underlying NPAT

+6.5%
\$196m

Reduced controllable costs

\$744m

Guidance was \$745-755m

EPS underlying

+19.3%
6.8cps

FY 23 Full Year Dividend

4.5cps

Final dividend of 2.0cps,
20% franked

Capital returned

\$750m
since August 2022

Net debt reduction of

\$337m

In FY 23

All amounts are in Australian dollars (A\$) unless otherwise specified

Streamlined business portfolio



OPERATING BUSINESS UNITS

AUSTRALIA				NEW ZEALAND
AMP Bank	Platforms	Advice	Master Trust	Wealth Management
A digital-focused challenger bank supporting customers with residential mortgages, deposits and transactional banking.	A leading provider of super, retirement and investment solutions to build personalised investment portfolios, managed through the flagship North platform.	A professional services provider to a network of aligned and independent financial advisers.	Superannuation and pension solutions for individuals and employees.	A standalone wealth management, financial advice and general insurance distribution business.

STRATEGIC PARTNERSHIPS

CHINA LIFE PENSION COMPANY (CLPC)

19.99% equity stake:
AMP's FY 23 carrying value \$461m

CLPC has the largest market share in the enterprise annuity trustee space in China in terms of AUM¹

CHINA LIFE AMP ASSET MANAGEMENT COMPANY LIMITED (CLAMP)

14.97% equity stake:
AMP's FY 23 carrying value \$88m

Providing exposure to the world's fourth largest asset management market²

PCCP

23.27% equity stake:
AMP's FY 23 carrying value \$180m

US real estate investment manager

¹ Source: Ministry of Human Resources and Social Security, as at September 2023

² Source: China Asset Management Report 2023, EY

Australian market landscape

AMP well-positioned to benefit from the long-term trends in banking and wealth in Australia



Super landscape

Compulsory superannuation system, with super guarantee to increase to 12% by July 2025



Demographic trends

Growing retirement-age population driving demand for new retirement products and services



Household wealth

High levels of average household wealth, with mean household wealth between ages 55-74 of \$1.6m¹



Need for advice

Demand for advice resulting from a complex tax and retirement system. Supportive government policy e.g. QAR reforms



Economic environment

Inflationary pressures and higher interest rates. Unemployment generally low, despite challenging economic environment



Banking environment

Competitive, cyclical market with sound fundamentals. Growth in SME banking needs²

1. ABS Household Income and Wealth 2019-20, PBO 'Australia's Ageing Population' 2019

2. SME deposits in Australia ~\$389b. Expect ~3.5m new SMEs in next 10 years. Source: PwC as at December 2022

Strategy

Helping people create their tomorrow



Drive business line profitability and positive customer experience

- **Bank:** Address NIM compression, reduce costs and improve ROC
- **Platforms:** Invest in technology, product and distribution; embed market leading retirement solutions
- **Advice:** Achieve breakeven target; build on strong practice relationships
- **Master Trust:** Refine retirement solutions, drive sustainable performance
- **New Zealand:** Maintain current performance and continue to diversify revenue



Efficient capital, cost and balance sheet management

- **Address corporate centre costs:** Right size corporate costs; simplification and transformation program
- **Maintain disciplined capital management:** Strong balance sheet, focused on optimising capital. Reduce net debt as appropriate; committed to returning surplus capital to shareholders



Create new revenue sources and lasting points of differentiation

- **Digital Small Business Bank** on track to begin operating in Q1 2025
- Expand on **channel opportunities**, including building digital advice capability
- Extend **retirement product innovation**, leveraging large existing customer base and breadth of capability across the wealth value chain

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FY 23 financial results

Blair Vernon, CFO



FY 23 results



\$m	FY 23	2H 23	1H 23	FY 22	% FY 23/ FY 22
AUM based revenue	751	377	374	794	(5.4)
Net interest income (NII)	373	173	200	382	(2.4)
Strategic partnerships ¹	58	23	35	89	(34.8)
Other revenue ²	126	67	59	83	51.8
Total Revenue	1,308	640	668	1,348	(3.0)
Variable costs	(320)	(161)	(159)	(346)	7.5
Gross Profit	988	479	509	1,002	(1.4)
Controllable costs	(744)	(382)	(362)	(757)	1.7
EBIT	244	97	147	245	(0.4)
Interest expense ³	(61)	(29)	(32)	(62)	1.6
Investment income ⁴	83	48	35	53	56.6
Tax expense	(70)	(32)	(38)	(52)	(34.6)
NPAT (underlying)⁶	196	84	112	184	6.5
Items reported below NPAT ⁵	62	(82)	144	152	(59.2)
Discontinued operations ⁶	7	2	5	51	(86.3)
NPAT (statutory)	265	4	261	387	(31.5)

1 Includes profit contributions from CLPC, CLAMP, PCCP and sponsor investments.

2 Includes Advice, North Guarantee and NZWM other revenues.

3 Includes interest expense on corporate debt.

4 Includes investment income from Group cash.

5 Refer to statutory NPAT reconciliation table for details.

6 Includes sold businesses of AMP Capital and SuperConcepts and revenues in relation to external mandates now discontinued, with FY 22 restated accordingly

Underlying NPAT up 6.5% to \$196m

Revenue:

- AUM revenue reflects further product simplification and outflows
- Reduced NII reflecting net interest margin compression
- Lower strategic partnerships earnings due to lower PCCP sponsor valuations impacted by US real estate, and China partnership earnings due to regulatory changes relative to FY 22
- Other revenue improvement predominantly driven by positive North Guarantee movements against negative movements in FY 22

Controllable costs at lower end of guidance at \$744m, with cost out initiatives continuing to negate the impacts of inflation and previously announced stranded costs of \$20m

Higher interest rate environment resulted in increased investment income, up 56.6%, with interest expense flat due to lower debt offsetting higher funding costs

Statutory NPAT reconciliation



\$m	FY 23	2H 23	1H 23	FY 22	% FY 23/ FY 22
NPAT (underlying)	196	84	112	184	6.5
Litigation and remediation related costs	(99)	(60)	(39)	(25)	(296.0)
Transformation cost out	(51)	(29)	(22)	(61)	16.4
Impairments	(10)	(10)	-	(68)	85.3
Separation costs	-	-	-	(90)	n/a
Other items ¹	226	19	207	400	(43.5)
Amortisation of intangible assets	(4)	(2)	(2)	(4)	-
Total items reported below NPAT (post-tax)	62	(82)	144	152	(59.2)
Discontinued operations ²	7	2	5	51	(86.3)
NPAT (statutory)	265	4	261	387	(31.5)

Key movements

- Litigation and remediation related costs of \$99m:
 - Settlement of the Buyer of Last Resort (BOLR)
 - Shareholder class action settlement, net of insurance recoveries
- Transformation cost out of \$51m reflects the completion of the FY 21- FY 23 Transformation program
- Impairment loss of \$10m (FY 22: \$68m) recognised to reflect progress on subleasing activity to match AMP's future tenancy requirements
- Other items in FY 23 predominantly reflects the net gain of ~\$245m on the sale of:
 - International Infrastructure Equity business
 - Real Estate and Domestic Infrastructure Equity business
 - SuperConcepts

¹ FY 23 Other items largely comprise the net gain of ~\$245m on the sale of the AMP Capital (International Infrastructure Equity business and the Real Estate and Domestic Infrastructure Equity business) and SuperConcepts businesses, permanent tax differences, and other one-off related impacts. FY 22 included the gain on sale of the Infrastructure debt platform of \$390m.

² Includes sold businesses of AMP Capital and SuperConcepts and revenues in relation to external mandates now discontinued.



FY 23 business unit overview



NPAT (underlying) \$m	FY 23	2H 23	1H 23	FY 22	% FY 23/ FY 22	Cost to income
AMP Bank	93	36	57	103	(9.7)	48.7%
Platforms	90	46	44	65	38.5	57.5%
NZ Wealth Management	34	17	17	32	6.3	42.9%
Master Trust	53	25	28	53	-	69.6%
Advice	(47)	(22)	(25)	(68)	30.9	
Group ¹	(27)	(18)	(9)	(1)	n/a	
NPAT (underlying)	196	84	112	184	6.5	69.0%

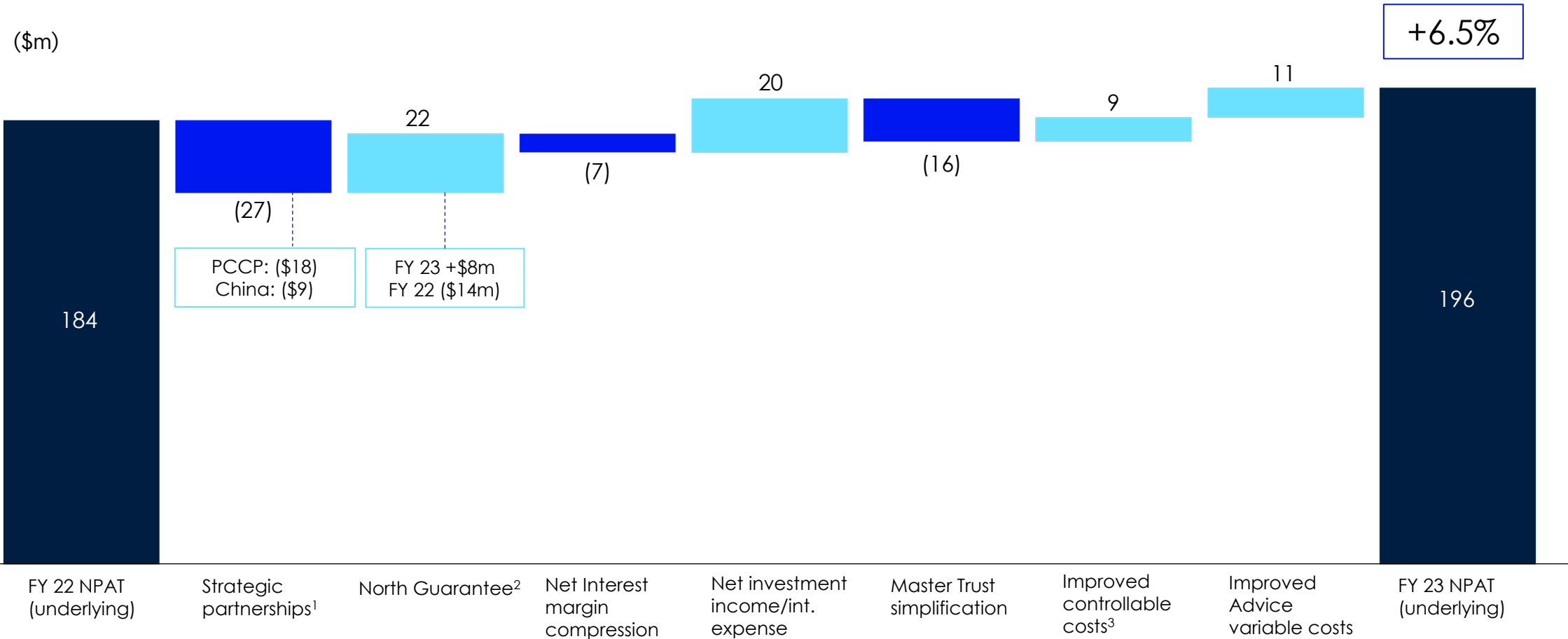
- Focus on lower growth in AMP Bank residential mortgage book, managing margins and costs
- Focus of investment spend to drive growth in Platforms
- Continued revenue diversification and business simplification in New Zealand
- Continued cost improvements targeted across these segments, including technology and process simplification
- Continued focus on reducing Advice losses and explore alternative structures
- Continue to exit post-transaction stranded costs and address overall Group costs

¹ Includes Strategic partnerships, Group costs not recovered from Business Units, investment income and interest expense on corporate debt.

NPAT (underlying) movement by driver



Improved costs, North Guarantee movement and higher investment income offsetting strategic partnership reduction

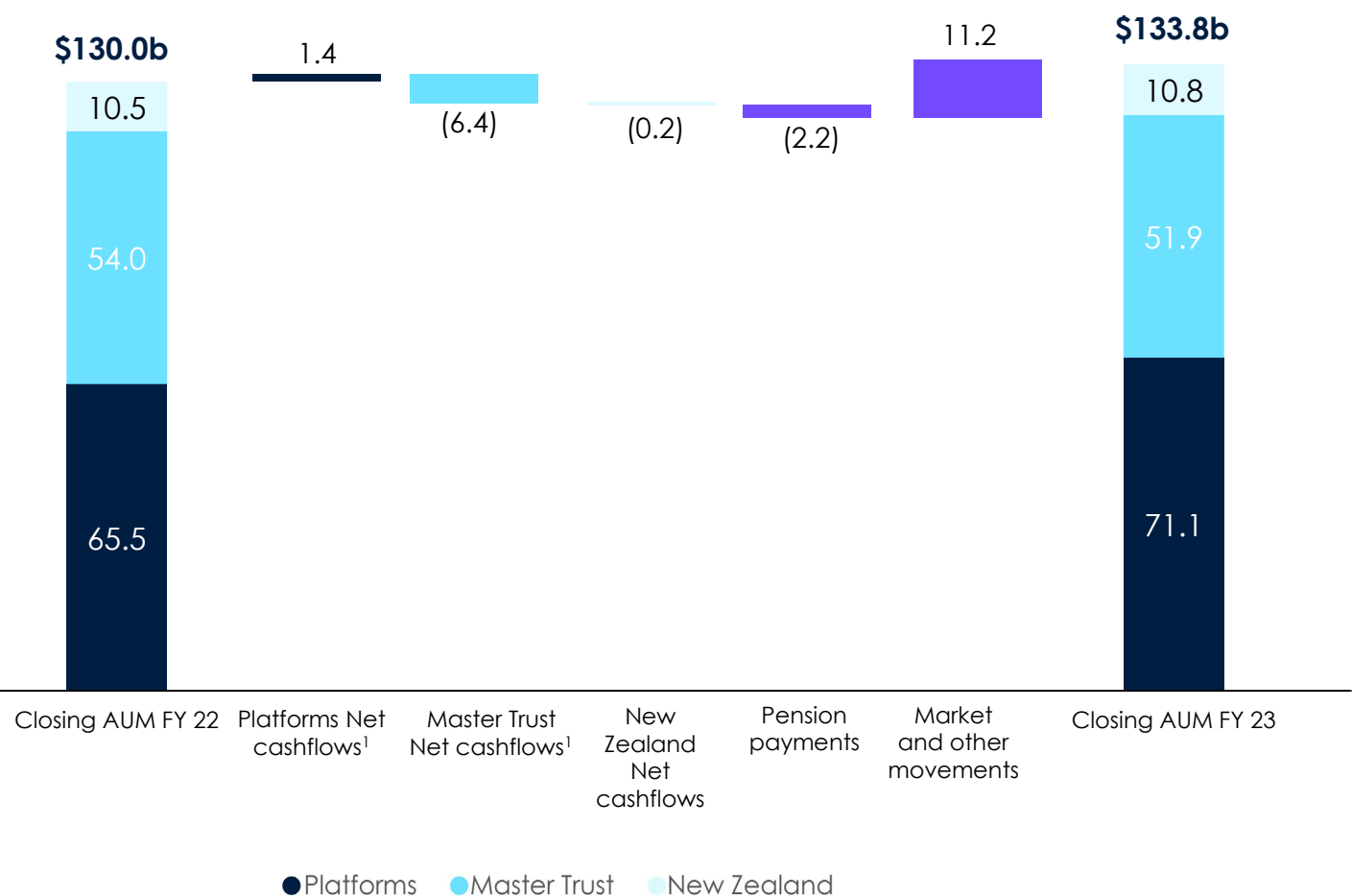


1. Lower PCCP sponsor asset valuations impacted by US real estate and reduced China partnership earnings due to regulatory changes
 2. Positive North Guarantee movement from favourable market conditions
 3. Controllable cost reduction of \$13m pre-tax, \$9m post tax

Total AUM: drivers of revenue



FY 23 closing total AUM grew 2.9% to \$133.8b while margins in line with guidance



Scale of AUM remains strong, margin management remains critical

Platforms

- Closing AUM grew 8.5% to \$71.1b driven by positive market movements (FY 22 \$65.5b)
- 47bps AUM based revenue to Average AUM is down 1bp (FY 22: 48bps)

Master Trust

- Closing AUM decreased 4% to \$51.9b (driven by known mandate loss)
- 64bps AUM based revenue to Average AUM is down 3bps (FY 22: 67bps)

New Zealand

- Closing AUM grew by 3.8% to \$10.8b driven by investment returns
- 82bps AUM based revenue to average AUM is down 4bps (FY 22: 86bps)

¹ Excluding pension payments

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Business unit performance



Key performance measures	FY 23	2H 23	1H 23	FY 22	% FY 23/ FY 22
Net interest income (\$m)	373	173	200	382	(2.4)
Fee and other income (\$m) ¹	16	7	9	15	6.7
Variable costs (\$m)	(123)	(63)	(60)	(115)	(7.0)
Controllable costs (\$m)	(133)	(66)	(67)	(135)	1.5
NPAT Underlying (\$m)	93	36	57	103	(9.7)
Residential mortgage book (\$m)	24,197	24,197	24,300	23,781	1.7
Deposits (\$m)	21,278	21,278	21,293	20,922	1.7
Net interest margin	1.27%	1.15%	1.39%	1.38%	n/a
Loan impairment expense (bps)	3	3	3	2	50.0
Cost to income ratio	48.7%	54.3%	43.9%	47.4%	n/a
Return on capital	7.9%	6.1%	9.8%	9.3%	n/a
90+ day mortgage arrears	0.62%	0.62%	0.55%	0.30%	n/a
Liquidity coverage ratio	126%	126%	126%	152%	n/a
Common Equity Tier 1 capital ratio	10.8%	10.8%	10.4%	10.5%	n/a

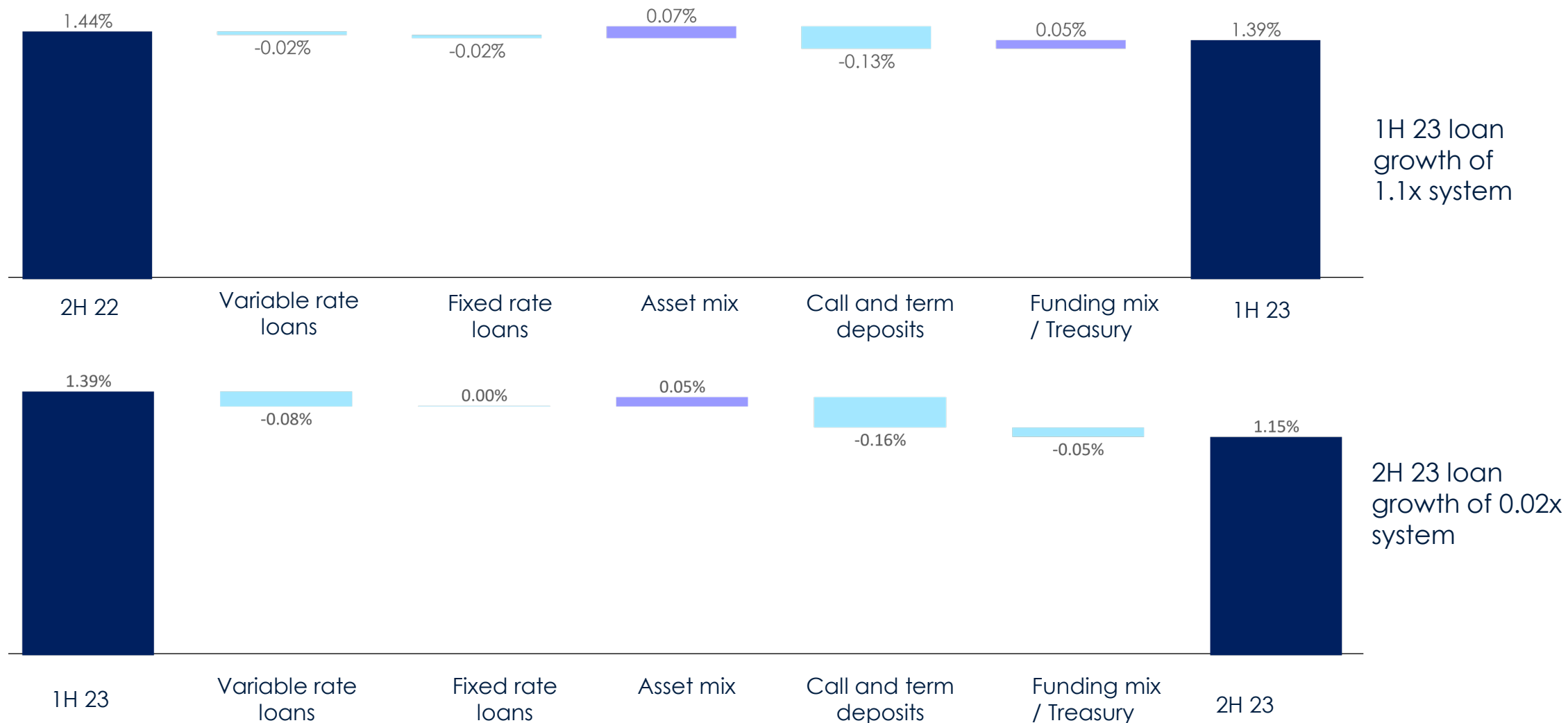
¹ Fee and other income mainly comprises mortgage origination, servicing and discharge fees as well as foreign exchange losses and profit on sale of invested assets.

- Underlying NPAT of \$93m reflects previously flagged NIM compression in 2H 23
- Deliberate decision to lower residential mortgage book growth in 2H 23 given margin pressure. 1.7% residential mortgage book growth, 0.61x system for year
- Controllable costs down 1.5%, with trajectory for further cost reductions in FY 24
- 0.62% 90+ day arrears remain relatively low, compared to 0.70% for industry – and AMP Bank actively managing provisions
- Small business banking offer to launch in Q1 25 to diversify revenue and address funding mix
- \$416m of borrowings under the RBA's term funding facility, due for repayment in June 2024. Commenced pre-funding of the TFF: half already pre-funded with remaining half by Q1 24
- Liquidity Coverage Ratio remained above prudential and Board established limits

AMP Bank : Net interest margin



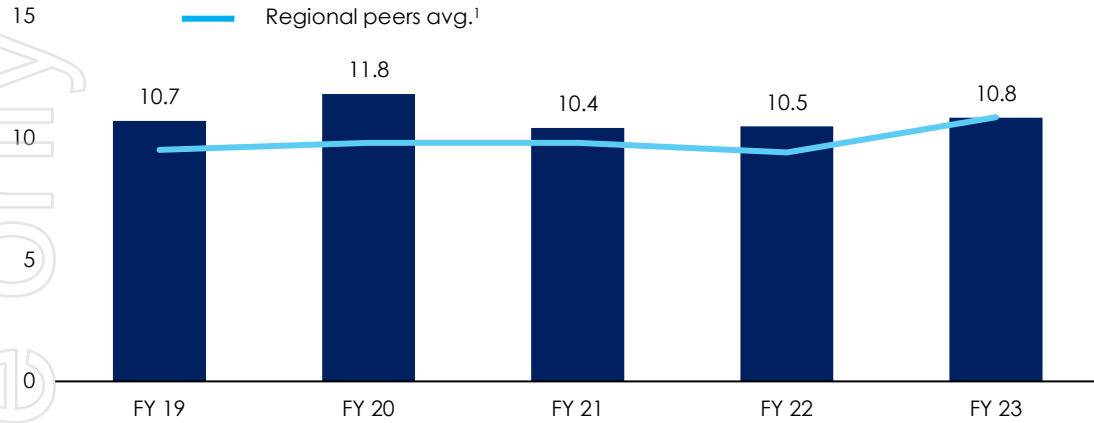
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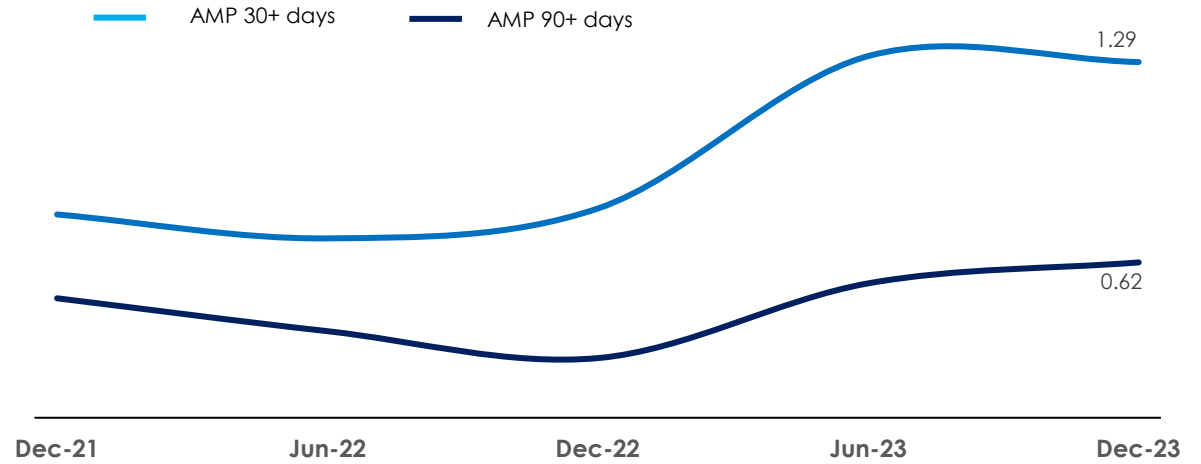
AMP Bank



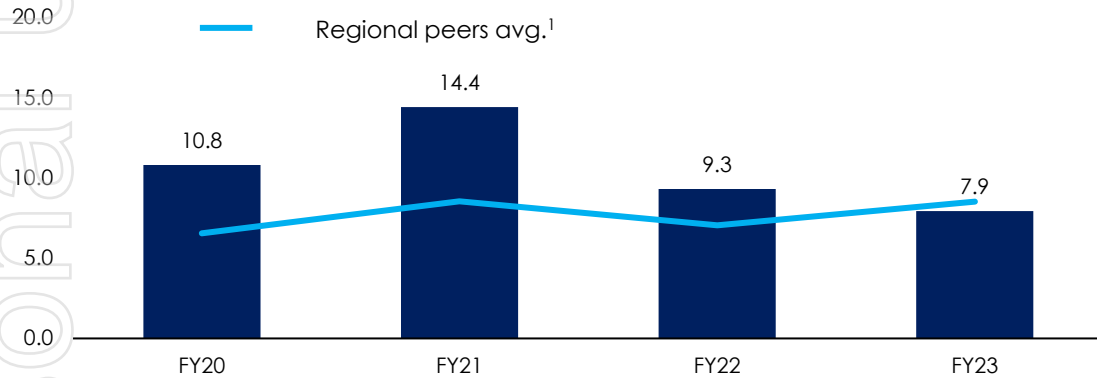
Common Equity Tier 1 (%)



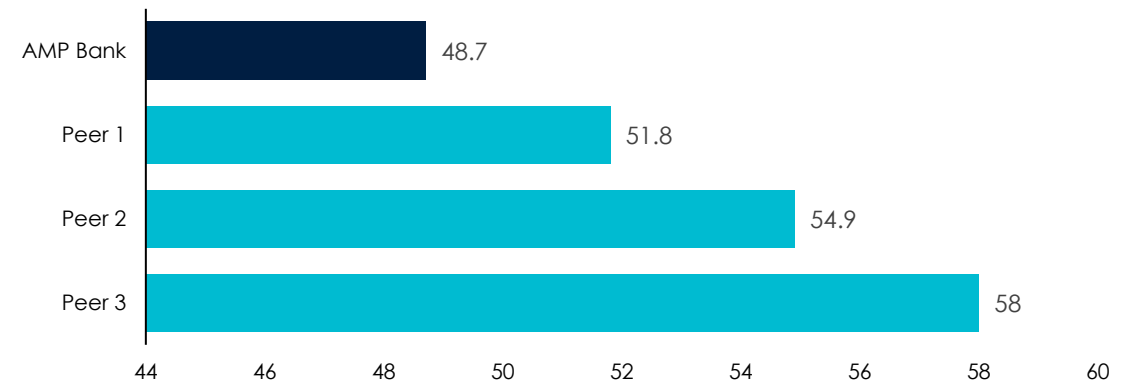
AMP Bank's 30+ and 90+ days mortgage arrears



Return on capital (%)²



Cost-to-income ratio versus peer group¹ (%)



1. Based on current disclosures of regional bank peers. The ratio represents the relevant latest financial year for each peer which may not be aligned to AMP's financial year. Regional peers ROC and CET1 are based on Group ratios.

2. AMP Bank ROC in 1H 21, 2H 21 and 1H 22 have been restated.



Platforms



Key performance measures	FY 23	2H 23	1H 23	FY 22	% FY 23/ FY 22
AUM based revenue (\$m) ¹	320	162	158	319	0.3
Other revenue & investment income (\$m) ²	27	15	12	(17)	n/a
Variable costs (\$m)	(46)	(22)	(24)	(51)	9.8
Controllable costs (\$m)	(173)	(89)	(84)	(158)	(9.5)
NPAT (underlying) (\$m)	90	46	44	65	38.5
Average AUM (\$m) ³	68,072	68,826	67,315	66,315	2.6
Net cashflows (excluding pension payments) (\$m)	1,401	660	741	2,532	(44.7)
AUM based revenue to average AUM (bps) ^{1,3}	47	47	47	48	n/a
Cost to income ratio	57.5%	57.4%	57.5%	62.9%	n/a

- Underlying NPAT up 38.5% reflecting:
 - Positive North Guarantee movement from favourable market conditions
 - Higher investment income due to interest rate environment
 - Partly offset by increased investment in technology, product and distribution
- Controllable costs reflect increased investment to support IFA strategy and new product growth plans
- Net cashflows (excluding pension payments) reduced to \$1.4bn, reflecting lower discretionary flows given economic environment
- North IFA inflows up 33% on prior period
- Relationships with ~1,300 AFSLs, 74% of the market⁴, an increase of 7% during FY 23
- North managed portfolios reached \$13bn as at year end

¹ AUM based revenue refers to administration and investment revenue on superannuation, retirement income and investment products.

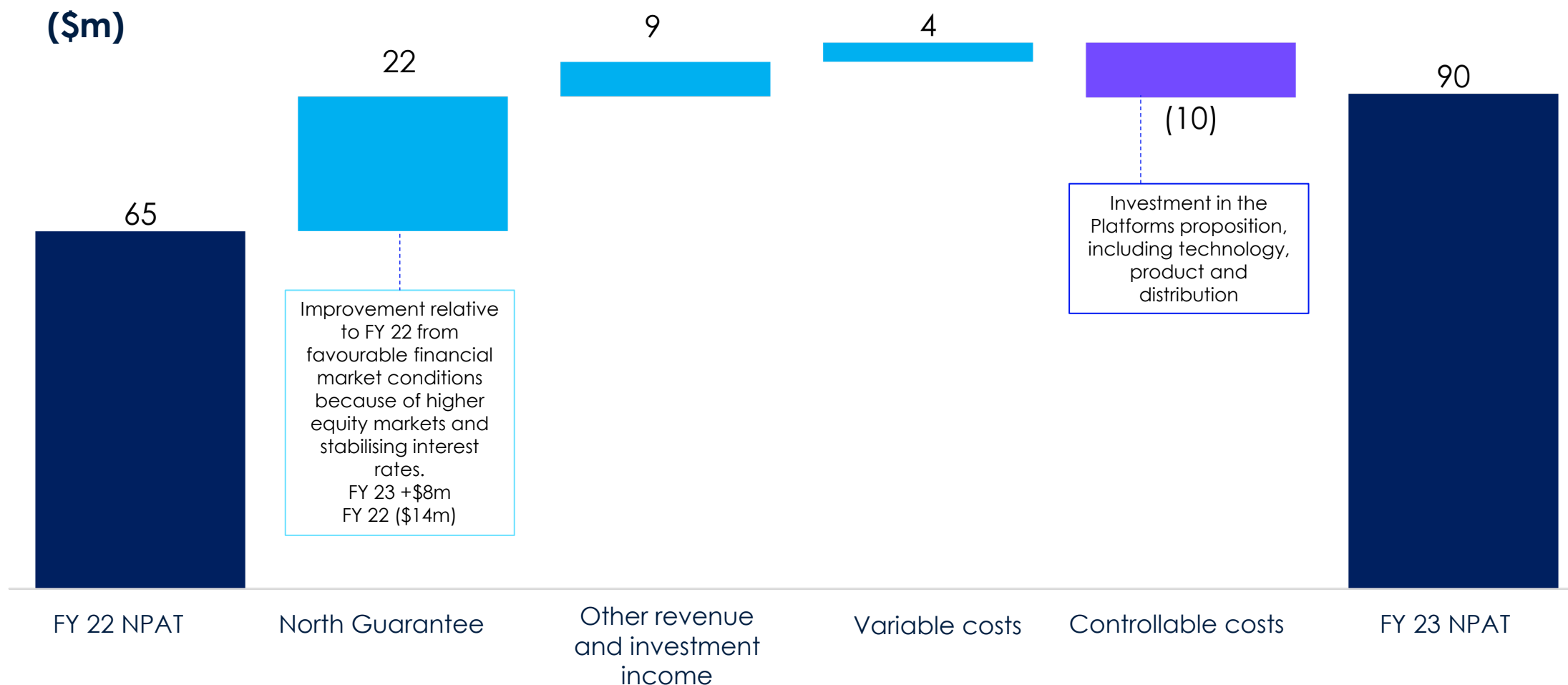
² Includes North Guarantee hedging program gains/losses and timing impacts.

³ Based on average of monthly average AUM.

⁴ Source: Analysis of WealthData information as at 31 Dec 2023. Excludes Accounting and Super Fund AFSLs who provide limited advice. Total of 1,866 AFSLs

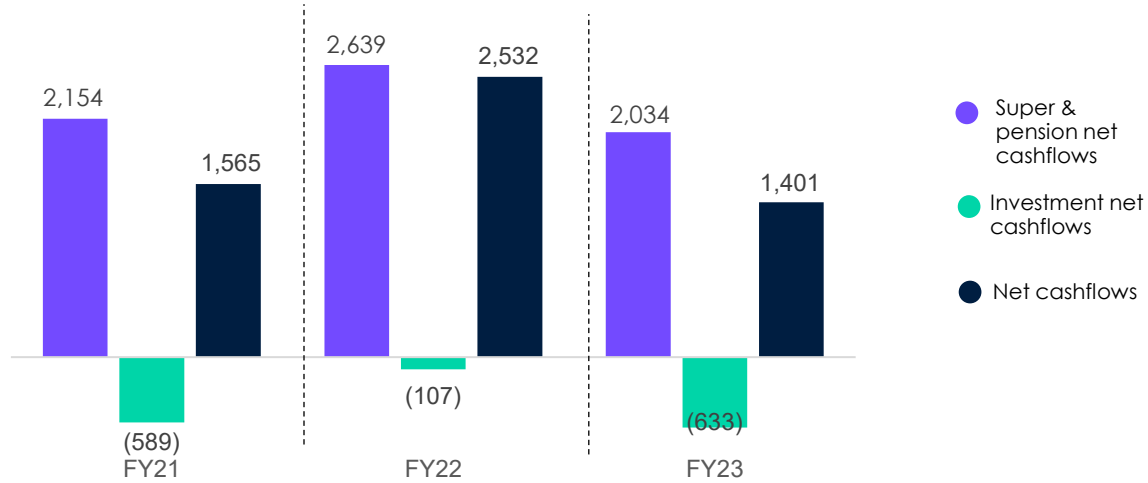


Platforms NPAT movement by driver

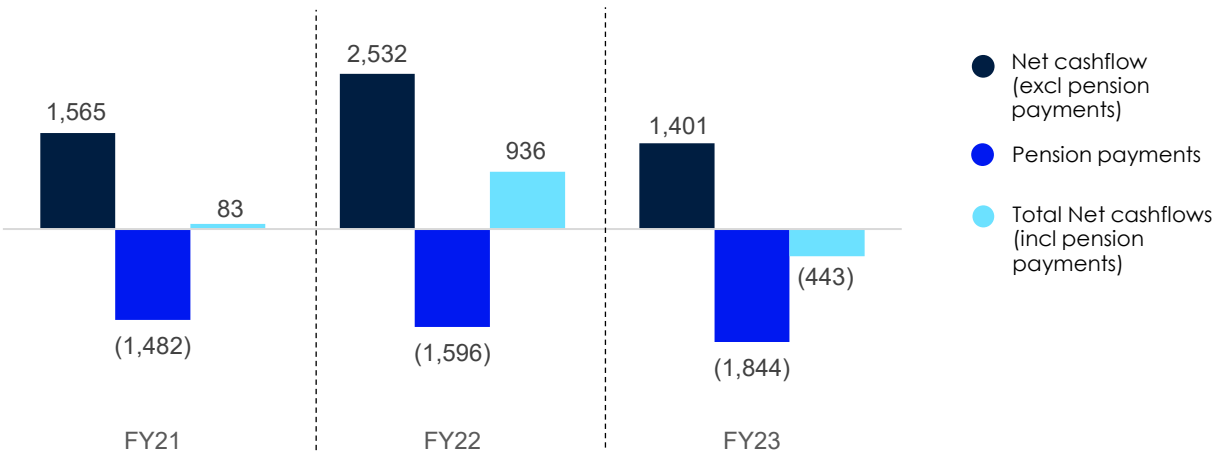


Platforms

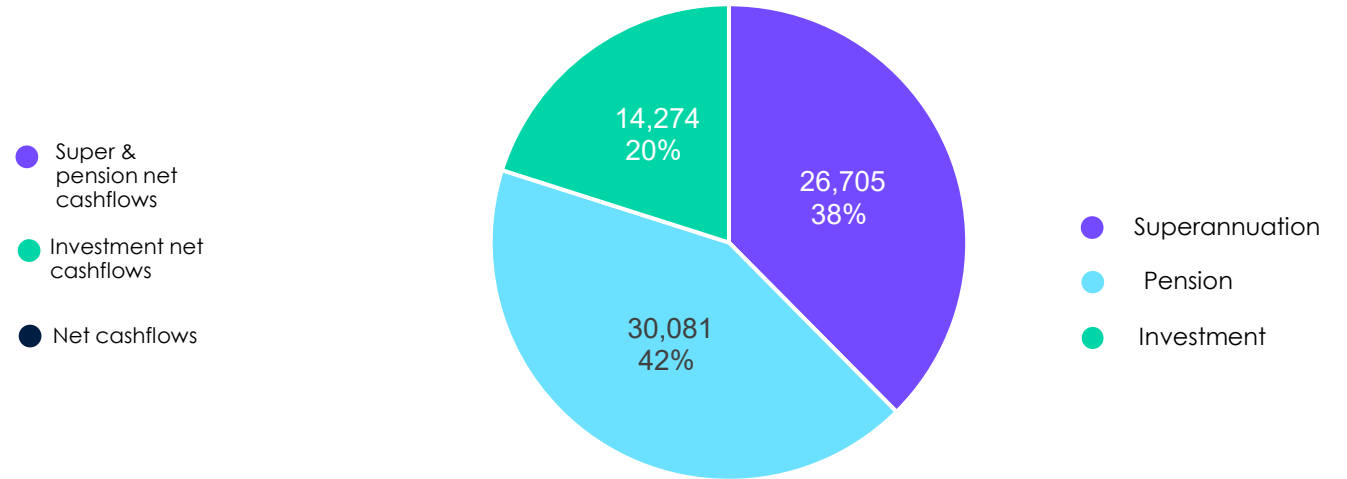
Net cashflows: Super v Investment (\$m)



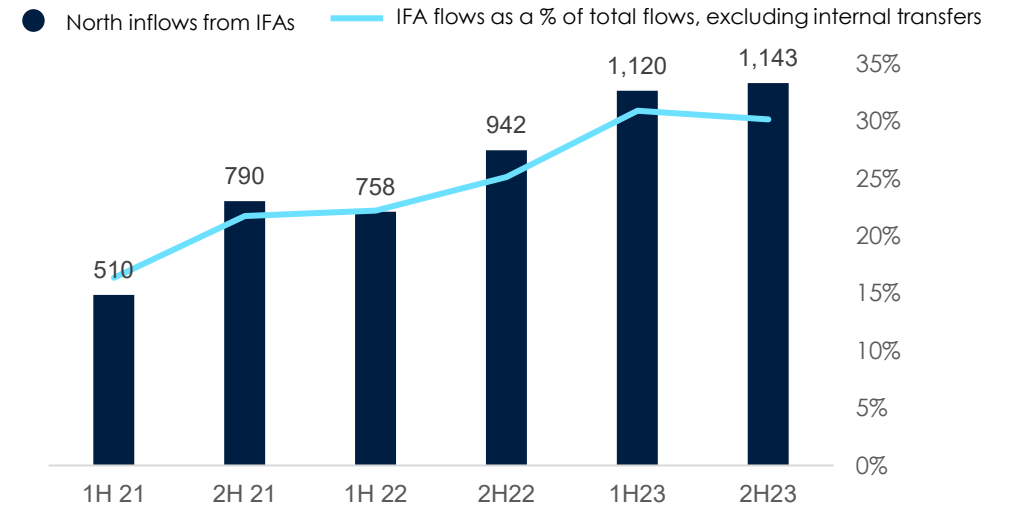
Net cashflow and pension payments (\$m)



Assets Under Management (\$m)



North inflows from IFAs (\$m)



Advice



Key performance measures	FY 23	2H 23	1H 23	FY 22	% FY 23/ FY 22
Advice revenue (\$m)	50	25	25	56	(10.7)
Variable costs (\$m) ¹	(2)	(1)	(1)	(18)	88.9
Controllable costs (\$m)	(117)	(57)	(60)	(138)	15.2
NPAT (underlying) (\$m)	(47)	(22)	(25)	(68)	30.9
Revenue per practice (\$m) ²	1.75	0.92	0.86	1.59	10.1

- Continued progress towards breakeven and exploring alternative structures for Advice
- Agreement to settle Buyer of Last Resort (BOLR) class action
- Ongoing focus on controllable costs (down 15.2%). Variable costs improved \$16m partly due to the reshaping of the equity portfolio
- Revitalised Jigsaw offering to support self-licensed financial advisers
- Adviser numbers stabilising, despite volatility in broader market. Starting to attract new practices to the network
- The quality of the AMP Advice Network remains high with 51% of practices generating over \$1m of revenue
- Adviser satisfaction with licensee services also improved to 81% in the period, up from 68% at FY 22³
- Changing regulatory environment is supportive

¹ Includes costs relating to majority owned advice practices, adviser support payments, and BOLR and related costs.

² Average revenue earned by each practice, based on aggregated practice numbers. Practice numbers are aggregated in the case where a single practice may have multiple locations and/or operate under multiple entities.

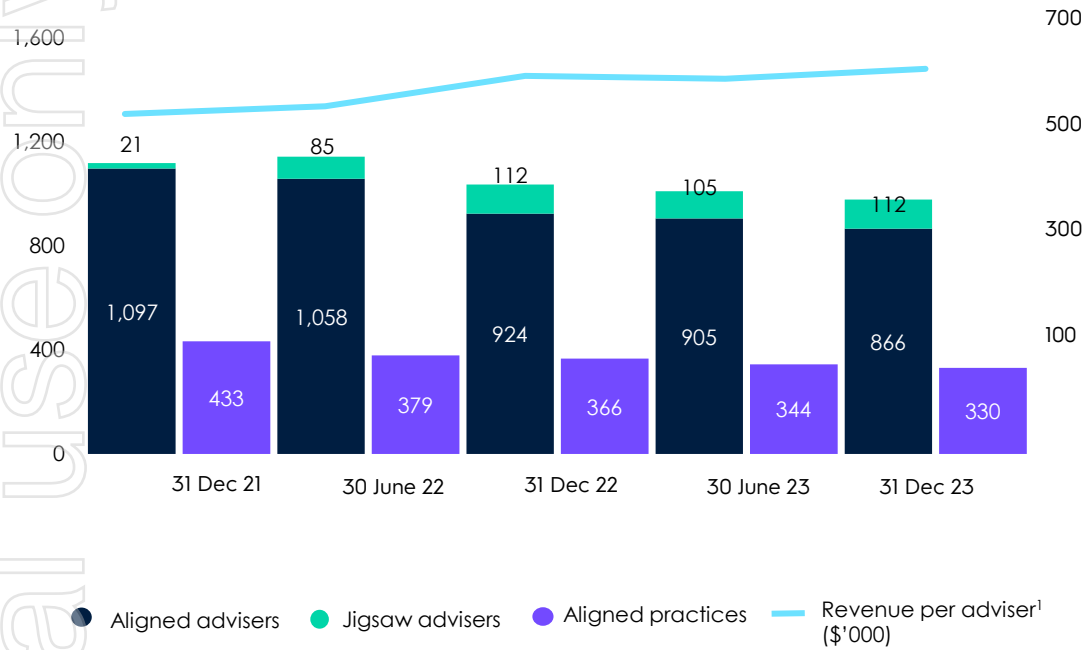
³ Source: AMP Advice Network Survey



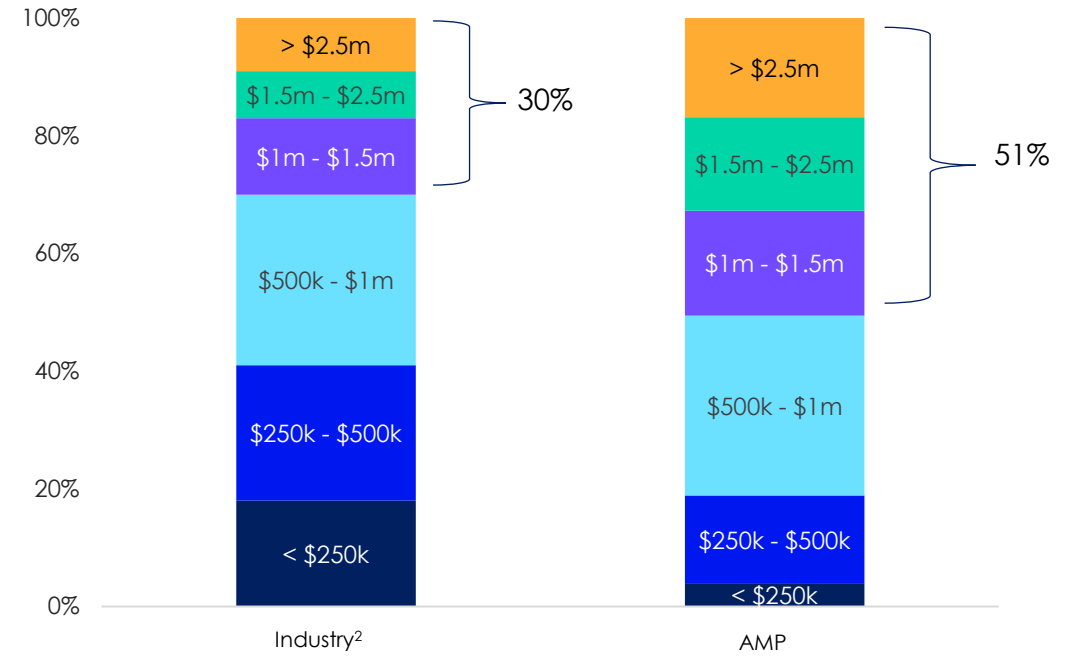
Advice



Adviser network composition



AMP aligned practices have higher annual revenue – compared to industry



¹ Revenue is based on rolling 12-month practice revenue.

² Source: Adviser Ratings, 2022.

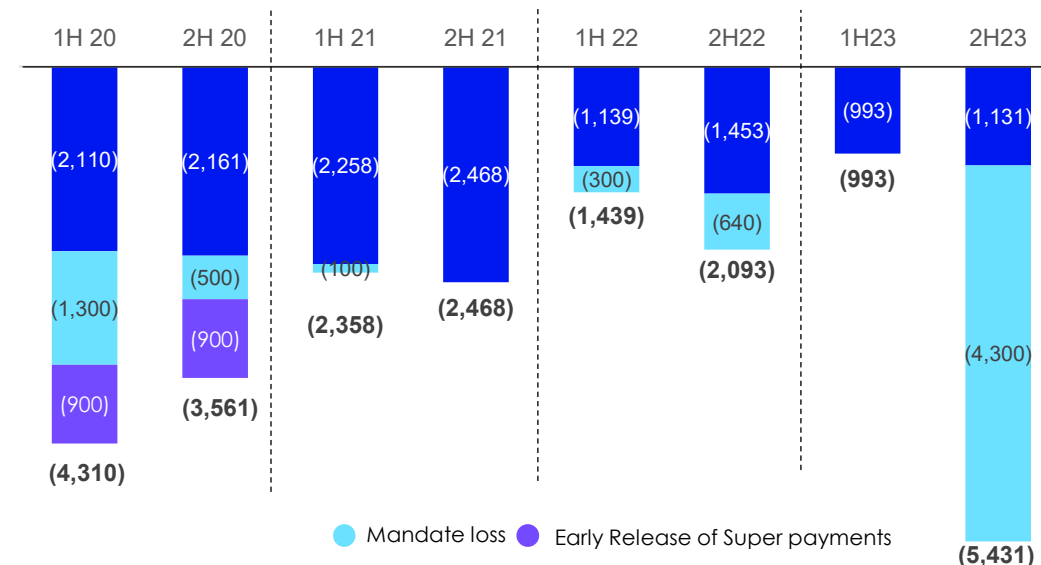
Master Trust



Key performance measures	FY 23	2H 23	1H 23	FY 22	% FY 23/ FY 22
AUM based revenue (\$m) ¹	343	171	172	383	(10.4)
Other revenue & investment income (\$m)	5	1	4	4	25.0
Variable costs (\$m)	(98)	(47)	(51)	(117)	16.2
Controllable costs (\$m)	(174)	(90)	(84)	(195)	10.8
NPAT (underlying) (\$m)	53	25	28	53	-
Average AUM (\$m) ²	53,452	51,898	55,005	57,397	(6.9)
Net cashflows (excluding pension payments) (\$m)	(6,424)	(5,431)	(993)	(3,532)	(81.9)
AUM based revenue to average AUM (bps) ^{1,2}	64	65	63	67	n/a
Cost to income ratio	69.6%	72.0%	67.2%	72.2%	n/a

- AUM based revenue declined 10.4% due to simplification fee changes and the previously announced mandate loss of \$4.3bn AUM (4 August 2023)
- Costs associated with lost mandate removed
- Disciplined cost control leading to a reduction of 10.8%, offset the revenue impacts resulting in NPAT of \$53m – flat on FY 22
- Revenue margin reduced to 64bps from 67bps in FY 22, reflecting the impact of investment simplification completed in May 2023
- Transformation program is well advanced, with a number of initiatives identified to deliver further benefits. Delivered investment returns in excess of 11.5% for majority of superannuation members³

Master Trust Net Cashflows (\$m)



¹ AUM based revenue refers to administration and investment revenue on superannuation, retirement income and investment products.

² Based on average of monthly average AUM.

³ MySuper Lifestage 1970s, 1980s and 1990s FY 23 returns exceeded 11.5%, representing more than 80% of default members.



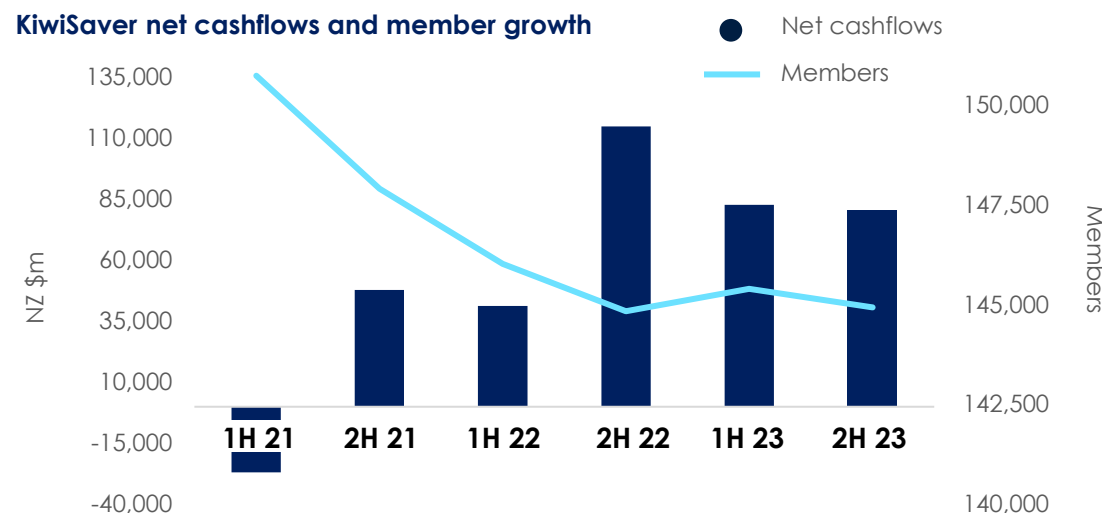
New Zealand Wealth Management



Key performance measures	FY 23	2H 23	1H 23	FY 22	% FY 23/ FY 22
AUM based revenue (\$m)	88	44	44	92	(4.3)
Other Revenue (\$m)	47	27	20	33	42.4
Variable Costs (\$m)	(51)	(28)	(23)	(45)	(13.3)
Controllable costs (\$m)	(36)	(19)	(17)	(35)	(2.9)
NPAT (underlying) (\$m)	34	17	17	32	6.3
Average AUM (\$m) ¹	10,669	10,666	10,676	10,751	(0.8)
Total net cashflows (\$m)	(160)	(93)	(67)	(126)	(27.0)
AUM based revenue to average AUM (bps) ¹	82	82	83	86	n/a
Cost to income ratio	42.9%	44.2%	41.5%	43.8%	n/a

- KiwiSaver experienced a challenging 2H 23, reflective of current economic environment, delivered \$70m in net cashflow
- Sale of legacy products drives simplification
- AdviceFirst revenue increase of \$5.8m includes the strategic acquisition of enable.me
- Business continues to diversify, now only 65% AUM-based revenue, following growth in advice and distribution revenue

KiwiSaver net cashflows and member growth



¹ Based on average of monthly average AUM.



Group



\$m	FY 23	2H 23	1H 23	FY 22	% FY 23/ FY 22
China partnerships	39	14	25	49	(20.4)
Other partnerships	19	9	10	40	(52.5)
Strategic partnerships¹	58	23	35	89	(34.8)
Controllable costs	(111)	(61)	(50)	(96)	(15.6)
Interest expense on corporate debt ²	(61)	(29)	(32)	(62)	1.6
Investment income from Group cash ³	64	40	24	45	42.2
Tax expense ⁴	23	9	14	23	-
NPAT (underlying)	(27)	(18)	(9)	(1)	n/a

- Strategic partnerships down 34.8%, due to lower PCCP sponsor valuations impacted by US real estate and China partnership earnings due to regulatory changes relative to FY 22⁵
- Higher controllable costs arising from previously announced stranded costs of \$20m from AMP Capital transactions
- Interest expense on corporate debt broadly flat due to the impact of higher interest rates offset by lower average volume of debt from paydowns
- Investment income up 42.2% reflecting higher interest rates on Group cash

¹ Includes profit contributions from CLPC, CLAMP, PCCP and sponsor investments.

² Includes fees associated with Group credit facilities.

³ Group cash (cash and liquid securities, excluding credit facilities of \$200m established in 2H 23) was \$0.8b at FY 23 (1H 23 \$1.3b, FY 22 \$0.7b). Includes movements from corporate hedging activity.

⁴ China partnerships component of Strategic partnerships is non assessable for tax purposes.

⁵ Regulatory changes to individual private wealth products.

Group: Strategic partnerships



China Life Pension Company (CLPC)

- 19.99% ownership (\$461m AMP's FY 23 carrying value)
- Expected pension market growth
 - RMB15 trillion by 2025; and
 - RMB28 trillion by 2030¹
- CLPC actively reduced Individual Wealth Product AUM over the past 3 years due to regulation changes
- AUM reduction offset by CLPC's strong ability to grow core Enterprise Annuity and Occupational Pension business
- Whilst AUM has been offset, earning rates from different products vary, as such earnings will see some short-term variation

China Life AMP Asset Management Company (CLAMP)

- 14.97% ownership (\$88m AMP's FY 23 carrying value)
- Fourth largest asset management market²
- 6-year market CAGR of 7% from 2017-2022 to RMB 67 trillion²
- Ongoing growth in wealth management from:
 - increasing middle-class population; and
 - individual pension savings vehicles being introduced to the mutual fund industry

PCCP JV & Sponsor Investment

Combined ~\$240m AMP's FY 23 carrying value

Joint venture

- 23.27% ownership

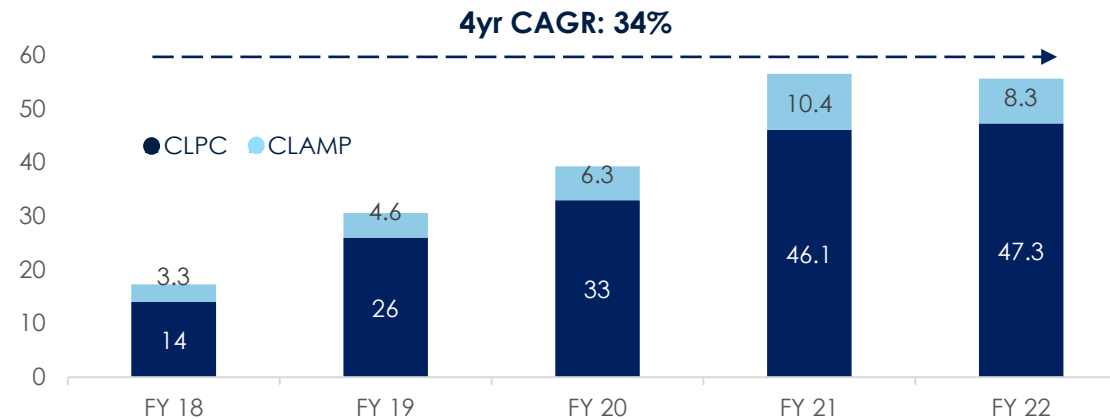
Established US investment manager:

- US commercial real estate debt; and
- US equity capital solutions

Sponsor investment

- PCCP VIII fund primarily targets office, multi-family, retail and industrial properties
- FY 23 saw negative property revaluations

CLPC & CLAMP JV earnings growth (\$m)



1. China Pension Reform 2023, KPMG.
2. China Asset Management Report 2023, EY.

Other sponsor assets

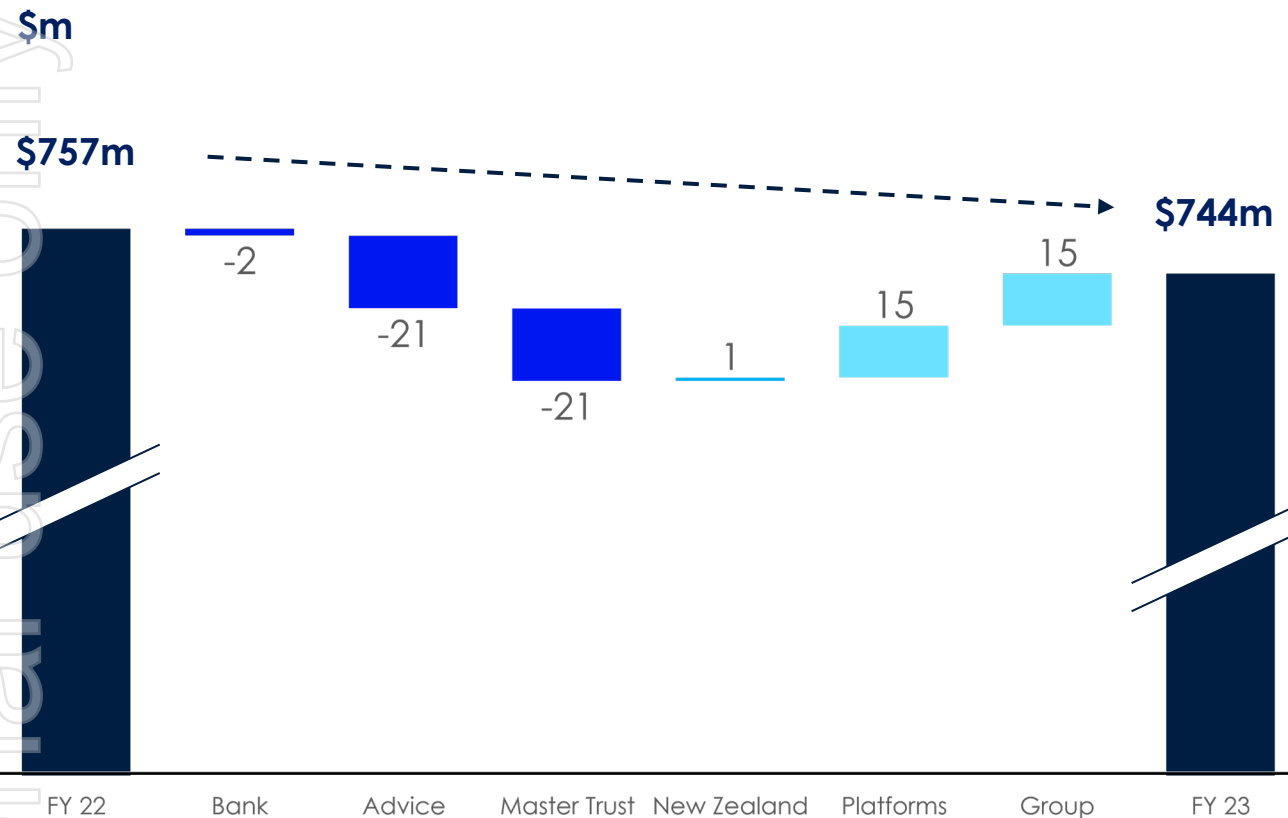
- ~\$60m AMP's FY 23 carrying value
- Retained sponsor assets from AMP Capital relating to Infrastructure debt funds

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Costs



FY 23 controllable costs



- **Controllable costs in FY 23 reduced** by 1.7% to \$744m offsetting significant inflation pressure
- **Targeted segments for improvement** of Advice and Master Trust delivered solid momentum
- **Platforms uplift reflects investment for growth** as planned
- **Group cost** increases reflect previously announced stranded costs from transactions
- **Overall employee costs marginally up** on FY 22, however 2H 23 FTE exits¹ provide momentum into FY 24
- **Project and technology costs combined reduced** 10% on FY 22, reflecting a shift to more persistent teams and stranded costs in technology
- **Property costs was a substantial contributor** to Group cost uplifts, which remains a key focus

¹ FY 22: 3,000 FTEs vs FY 23: 2,664 FTEs

FY 24 controllable cost outlook



Committed to achieving controllable costs of ~\$690m for FY 24

- **Advice:** Direct cost reduction flowing from FTE savings and reduced overhead costs from simplification
- **Master Trust:** Anticipate reduced spend as a result of simplification programs
- **Rationalisation of service and applications in Technology** expected to deliver efficiency, offsetting ongoing investment required
- **Group costs:** Property costs and vendor contracts a particular focus, with separation programs largely complete. Continued focus on simplifying the corporate centre
- **Employment costs:** reductions effected in 2H 23 will deliver full year impact in FY 24

Overall business simplification program

- Continue to target controllable cost base of **\$620-640m by FY 25**
- **One-off spend of \$120-150m** over FY 24 and FY 25 to achieve the cost-out (broadly evenly split)
- Anticipate absorbing cost uplifts from inflation and continued investment in AMP's growth businesses

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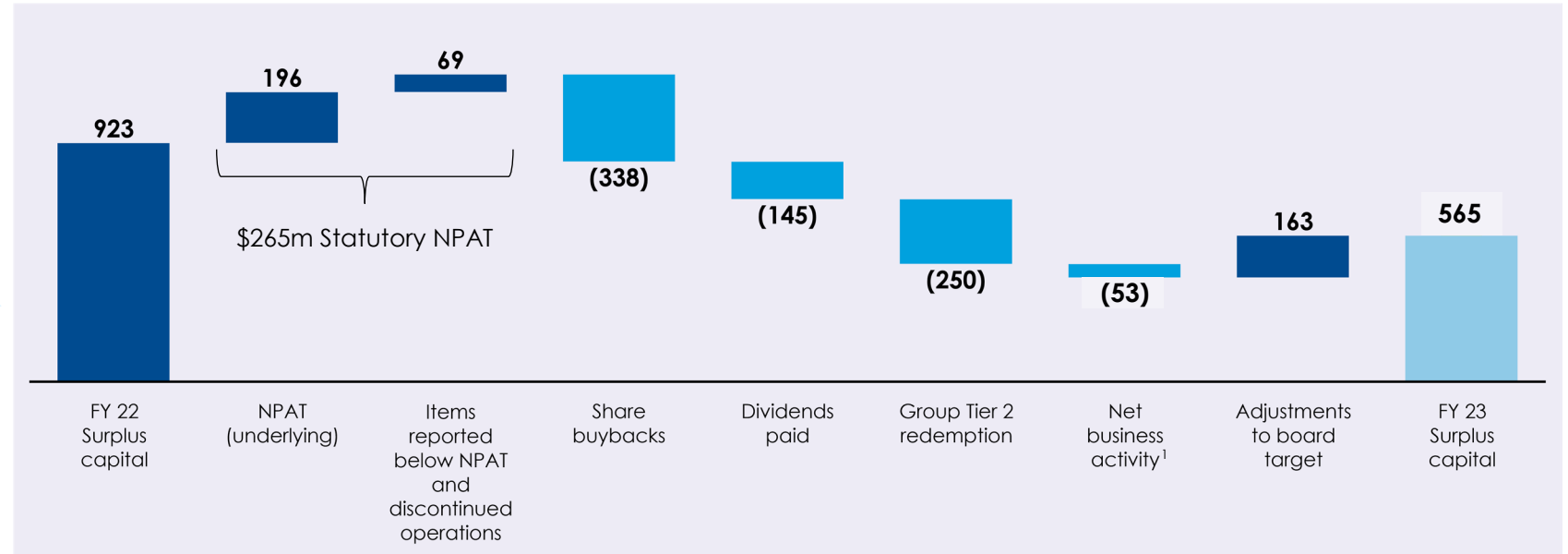
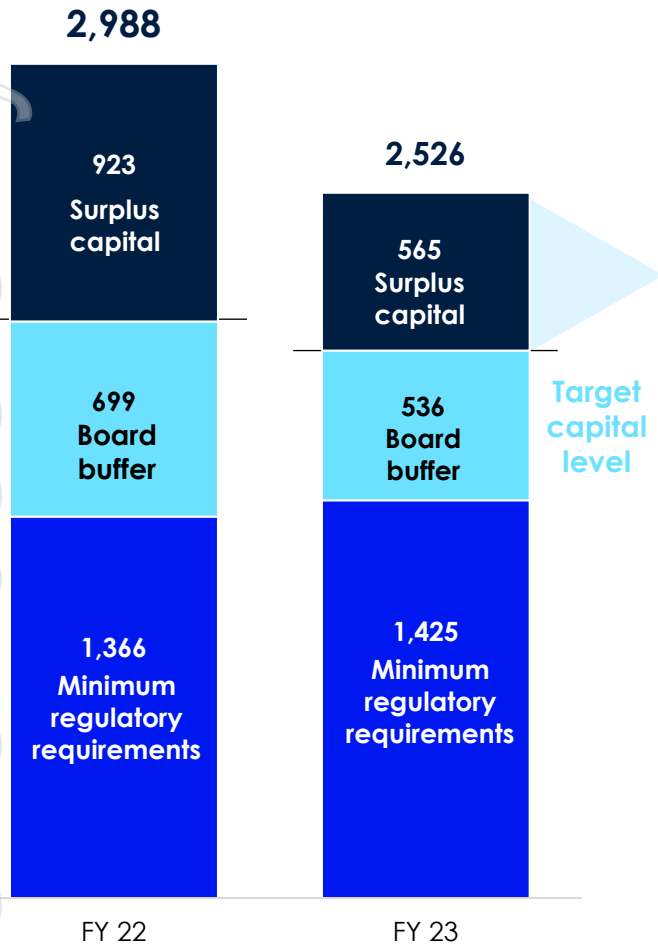
Capital



Capital position



(\$m)



Minimum regulatory requirements (MRR)

Increased by \$59m from FY 22

- Primarily driven by the increase in AMP Bank's capital requirements following APRA's "unquestionably strong" framework from 1 Jan 2023

MRR of \$1,425m for FY 23 comprises:

- \$1,097m – AMP Bank APRA ADI Prudential Standards
- \$328m – AFSL and APRA Superannuation Prudential Standards for Platforms, Master Trust and Advice

Board buffer

Decreased by \$163m from FY 22

- Primarily due to the sale of AMP Capital assets

1. Net business activity includes capital deployed within AMP Bank and changes in interest rates, Platforms and Master Trust operational risk capital requirements, and the impact of foreign exchange rates on the balance sheet.

Capital and liquidity position



\$m	FY 23	1H 23	FY 22	% FY 23 / FY 22
Total capital resources	4,535	5,007	5,155	(12.0)
Total corporate subordinated debt	(275)	(525)	(525)	47.6
Total corporate senior debt	(466)	(553)	(553)	15.7
Shareholder equity	3,794	3,929	4,077	(6.9)
Total eligible capital resources¹	2,526	2,964	2,988	(15.5)
Group surplus capital	565	988	923	(38.8)
Group cash	840	1,311	665	26.3
Group credit facilities ²	200	-	-	n/a
Net tangible assets per ordinary share (\$)	1.31	1.33	1.24	5.6

Capital return program summary

Tranche 1: \$350m on-market share buyback completed March 2023

Tranche 2: \$400m capital return completed October 2023

Tranche 3: \$350m capital return via dividends and on-market share buyback

- 2.0cps FY 23 final dividend (\$55m)
- Remaining \$295m via on-market share buyback and/or dividends

Liquidity update

- \$750m of capital returned since August 2022
- Continued deleveraging of our balance sheet, with a net reduction of \$337m of debt during FY 23:
 - \$250m Group Tier 2 subordinated debt redemption
 - Corporate senior debt down 16% from FY 22
 - Upcoming senior debt maturity in 1H 24
- Settlement of the shareholder class action paid in January 2024
- Final court approval of BOLR settlement expected to occur in 1H 24

1. Includes \$420m of net deferred tax assets (FY 22: \$448m).

2. Group credit facilities established in December 2023.

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FY 24 guidance



FY 24 guidance

Subject to market conditions



○ **AMP Bank:** FY 24 NIM expected to be between 1.10% and 1.15%

○ **Platforms:** FY 24 AUM based revenue margins expected to be broadly in line with FY 23

○ **Master Trust:** FY 24 AUM based revenue margins expected to be broadly in line with FY 23

○ **FY 24 controllable costs** expected to be ~\$690 million

○ **FY 24 simplification spend** of \$60 - \$75 million pre-tax

○ **Strategic partnerships** anticipating a combined ~10% p.a. return on investment through the cycle

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Summary

Alexis George, CEO



1H 24 focus



Drive business line profitability and positive customer experience

- Bank: lower loan growth, optimise deposits and reduce costs
- Platforms: invest in technology, product and distribution
- New Zealand: maintain performance
- Advice: continued focus on reaching breakeven
- Master Trust: Refine retirement product offer



Efficient capital and cost management

- Ongoing focus on achieving controllable cost targets
- Continue progress on right-sizing corporate costs
- Strong balance sheet – focused on optimising capital and debt
- Commence Tranche 3 capital return



Create new revenue sources and lasting points of differentiation

- Progress digital business bank to launch Q1 2025
- Progress digital advice opportunities
- Diversify distribution channel opportunities



Making progress against our commitments

- \$750m of capital returned since August 2022
- Completed AMP Capital and SuperConcepts sales
- Net debt reduction of \$337m in FY 23



Positioned to address headwinds in FY 24

- Simplified portfolio positioned for the future
- Disciplined cost management with trajectory for further cost savings in FY 24
- Significant legacy legal matters resolved



Clear strategic focus for the re-shaped business

- Margin management and funding diversification in AMP Bank
- Investment in Platforms to drive growth
- Focus on improving Advice and Master Trust performance

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