

OUR STRATEGY

AMP provided an update on its strategic growth plans for 2022–2024 on 30 November 2021. The strategy sets a clear path to a new AMP by repositioning core capabilities in wealth management and banking, simplifying the organisation and exploring opportunities for growth.

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 New Zealand Wealth Management

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 ►

COLLIMATE CAPITAL – STRATEGIC FOCUS

Collimate Capital has announced its strategy to leverage the significant opportunity to become a global leader in private markets as a separate company. Its four core priorities comprise:

Operational separation

Operate as an autonomous subsidiary from 31 December 2021 and ASX-listed in 2022.

Simplify the business

Implement organisational structure. Create efficiencies and remove duplication.

Grow global client base

Build a global client solutions team. Scale existing fund series in infrastructure equity.

Diversify product offering

Create new product opportunities alongside current investment strategies.

PATH TO NEW AMP

AMP Bank's growth will be driven through continued investment to deliver great service to customers, and mortgage and deposit products which suit their needs. Recent investments in the bank's core technology increased its ability to originate mortgages, and continued investment in digital and data capability will speed up 'time to yes' for customers.

AMP's flagship North platform has a strong growth opportunity, which we will target through ongoing enhancements to products and functionality that meet the needs of aligned and external financial advisers and their customers.

A simplified Master Trust business will be better positioned to drive optimal customer outcomes, including member fee reductions and improved investment performance in superannuation.

Our strategy in New Zealand is based on improving efficiency and delivering value to clients, with a strong focus on sustainability investments and continuing to strengthen our distribution business.

The Advice business completed a significant transformation in 2021 including the exit of the employed advice channel and conclusion of client register buy-back arrangements (known as BOLR facility). The acceleration of the business' transformation to a professional services provider will see significant simplification of the Advice model, delivering valued licensee services at a competitive and sustainable price, and driving efficiency in our business operations.

Strong progress has been achieved on separation of the Collimate Capital business, setting it up for demerger.

AMP's ongoing transformation will enable further reviews of the operating model of both businesses.

We will continue to regularly review the assets held in AMP's portfolio to ensure we optimise our business for the future.

AMP continues to progress commitments made on its cost base and capital management. We are on track to deliver \$300 million of annual run-rate cost savings by the end of 2022, with an additional \$115 million of net cost-out to be delivered by the end of 2024.

Direct-to-consumer opportunities will be a focus in AMP Bank as we enhance our digital capabilities.

Opportunities in the retirement sector are being driven by a large and growing market with limited products to serve customer needs. AMP brings strong capabilities in annuities and is developing a new retirement offer to launch in 2022.

A simplified portfolio will enable AMP to consider new business models in the future.

PURPOSE
AND CULTURE

BRAND, REPUTATION
AND ESG

DIGITAL AND DATA
CAPABILITY

RESPECT
RISK