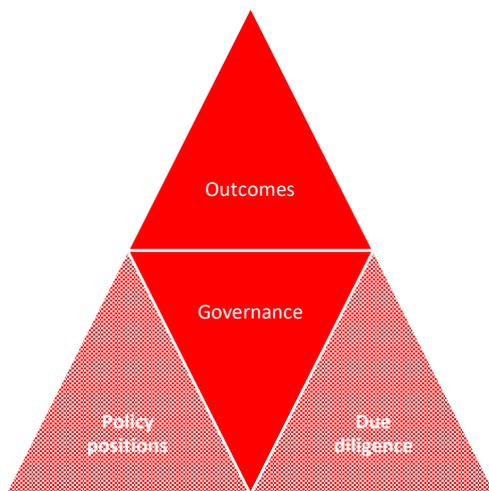


AMP LIMITED 2019 REPORT FINANCIAL SERVICES HUMAN RIGHTS BENCHMARK

Company Name	AMP LIMITED
Industry	Wealth management
FY end	31 December
Revenue FY19	\$5.813 billion
Employees	6,500
Retail divisions	Australian wealth management, AMP Bank, AMP Capital (retail customers), NZ wealth management, AMP Life (since divested to Resolution Life completed 2020)
CLIS divisions	AMP Capital (institutional customers); AMP Bank (Loans to AMP-aligned financial adviser practices)
Law reform contributions	no public submissions to our selected inquiries by AMP Ltd; AMP Capital submission to reform #1
Overall level of disclosure	moderate level of disclosure

Our overall rating for AMP human rights performance for 2019 across each domain is set out below



RETAIL: RED

AMP had poor governance of human rights risk in this domain which spilled into the other factors. There is no recognition of how the products, services and interactions with retail clients are a source of human rights risk.

In terms of policy positions - aside from areas where there is an explicit legal requirement for a policy (for example, hardship policies) - the policy positions we could publicly identify failed to pay sufficient attention to human rights.

From this failure to recognise and provide for a system of governance to manage this risk, and a lack of a consideration of human rights within policies aimed at retail clients, we infer there is no feasible human rights due diligence process.

In terms of outcomes, AMP's 2019 Annual Report indicates it is still paying customer remediation for conduct occurring earlier than 2019. Furthermore, while its 2019 Sustainability Report identified 900 complaints raised via its internal

dispute resolution process, it indicate that only 327 plus 21 AFCA legacy complaints were completed. It is not clear what the status is of the remaining 573 complaints. AFCA complaints records show 477 complaints received (1 Oct 2018 to 31 December 2019) which seems to be a higher rate of internal complaints compared to AFCA complaints that we have observed in our FSEs in our sample.

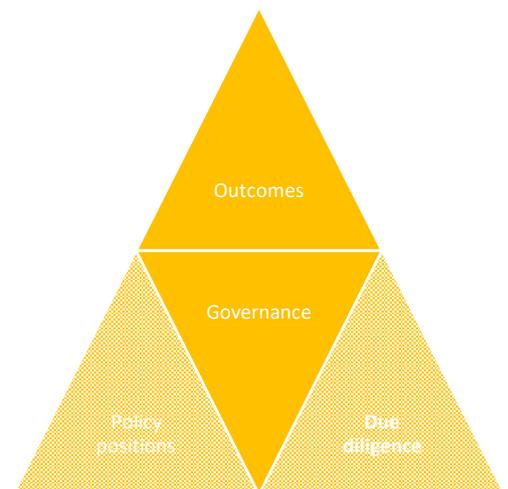
COMMERCIAL LENDING INVESTMENT AND SERVICES (CLIS): AMBER

AMP Capital is the largest contributor to performance in this domain. AMP Bank is the other contributor to the performance of this domain via services to commercial clients.

Given the scope of AMP Capital's investment activities, we note that the level of disclosure on its approach to human rights risk is disappointing. Notwithstanding AMP Capital's status as a signatory to multiple initiatives, only one is explicitly human rights (KnowtheChain Investor Statement), although we note three initiatives on gender diversity.

AMP Capital produces annual reports for each of its funds, focussing on the financial accounts, as opposed to more holistic disclosures around fund performance that explain and document the environmental and social performance of the fund. The policy positions and due diligence processes that we could find were often very generic in their descriptions of positions and processes.

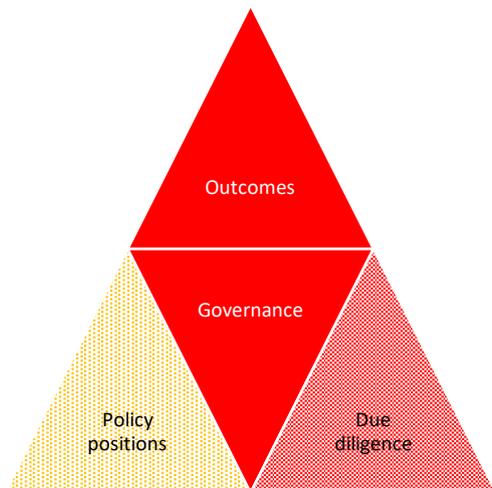
To understand the approaches taken to social risk requires drilling down into its many separate funds, to ascertain the approach to ESG integration but also to confirm this via the portfolio holdings.



This report is presented for the purpose of disseminating information and research findings for the benefit of the public. It has been prepared on the basis of evaluation of human rights performance based on publicly available material for the 22 ASX listed entities included in the sample.

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EMPLOYEES: RED

As one of the larger employers in our FI sample, it was surprising to see no real recognition of the importance of human rights in the governance indicators for this domain.

We noted many policy positions (most of which we could only view in summary form) met the requirements of our factors but the absence of governance and the lack of any disclosures around due diligence, meant there was inadequate identification and management of human rights risks for employees.

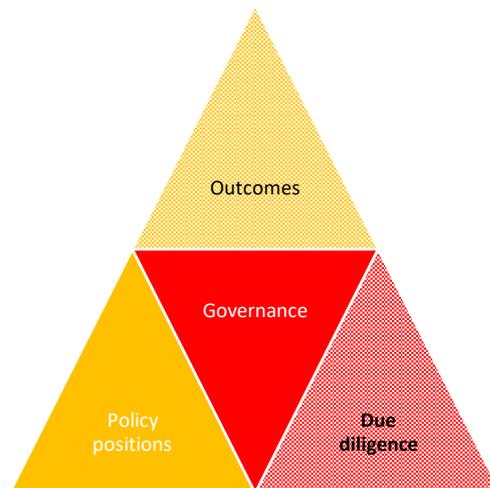
While media attention has ventilated the issues women employees face within AMP, we observed aspirational targets around women’s decision-making throughout the Group for 2020. We note that data on the Group’s performance in 2019 confirmed its performance on these measures was well shy of the targets set. Similarly, we know from WGEA disclosures that a pay gap exists, but there is no information from AMP itself beyond the checkboxes in the WGEA document.

SUPPLY: RED

AMP’s 2019 sustainability report provides a good representation of its supply chain profile: \$1.27bn spend in FY19, with the top 151 suppliers comprising 80% of total spend. AMP Capital Real Estate spent \$97m with the major spends being cleaning and security.

AMP does not assign any supply chain risks to the Board or any of its committees as part of a risk governance structure. Its 2019 Supplier Code of Practice sets out its expectations of suppliers to the Group and covers anti-discrimination (broadly defined), health and safety, economic security, economic security. It doesn’t pay attention to right to remedy, nor does it adequately speak to privacy and information. It doesn’t say how AMP will monitor these factors, nor does it provide any sense of AMP itself having obligations in relation to its suppliers to enhance their human rights practices.

What is also not clear is the level of due diligence undertaken by the AMP Group during FY2019 into this supply chain. AMP Capital has prepared modern slavery statements under the UK regime, but AMP itself is only due to report under the Australian MSA regime for its 2020 financial year in 2021.



SOCIETY: RED

There is no recognition at Board level of public policy advocacy as a source of human rights risk. We were unable to identify any relevant public policies and commentary in AMP’s latest annual report similarly does not speak to the issue.

That said, in terms of outcomes, AMP made only one public submission to the reform initiatives we surveyed. The submission was from AMP Capital (ie. not AMP at a Group Level) in support of initial revisions to the ASX Corporate Governance Principles which included references to a ‘social license to operate’ in Principle 3.

We note that while AMP Group doesn’t have a Reconciliation Action Plan, AMP Capital does (Reflect RAP for May 2019 to May 2020). Given its stated vision for reconciliation as something that ‘achieves meaningful outcomes that have a positive impact for the Aboriginal and Torres Strait Islander Population’, it does not appear to have linked this sentiment with any public policy advocacy.

