



Company	AMP Limited (AMP)
Code	AMP
Meeting	AGM
Date	Thursday 2 May 2019
Venue	The Concert Hall The Concourse Chatswood NSW
Monitor	Ian Graves, David Jackson

Number attendees at meeting	200 shareholders plus 100 visitors
Number of holdings represented by ASA	669
Value of proxies	\$5.8m
Number of shares represented by ASA	3,517,910 (equivalent to 16th in Top 20 shareholder list)
Market capitalisation	\$6.394b
Were proxies voted	Yes, on a poll
Pre AGM-Meeting	Yes, with Chair David Murray

AMP heads towards a new future but not without some pain

It was a very different board fronting the shareholders with Chair David Murray at the helm, and a significantly restructured board with only one Director with more than 2 years' service.

[The Chair's address](#) made much of the impact that:

The Royal Commission had on AMP (far more than the banks). He stated that headwinds remain, with the election and a potential change of government creating further uncertainty for regulatory actions and possible economic changes that this could bring.

He acknowledged that AMP had been too slow to identify customer issues and their priority now was to identify and remediate customers as quickly as possible and to rebuild the infrastructure that monitors risk and governance. \$100m has been allocated to improve their governance culture and accountability.

The consequences for previous management was that a number were removed and had bonuses forfeited along with the possibility of more actions by regulators against the previous Directors and management.

The immediate priority was to reach finalisation of the life insurance sale to Resolution Life scheduled for third quarter 2019. The Board is committed to returning net cash to shareholders upon its completion.

Mr Murray acknowledged that the restructuring will have the potential for negative outcomes over the next 3 years but was optimistic that the restructure and simplification will ensure more positive outcomes in the future.

The new CEO, Francesco de Ferrari, spoke about his restructured and streamlined executive team, and that, his focus would be on rebuilding customer trust and value within the three remaining businesses. This would involve focusing on rebuilding a culture around the customer experience and placing the customer front and centre of AMP's mind.

The election of Mr Murray recorded a 12.7% vote against compared to the 99% vote for Mr Fraser and Mrs Slattery. Mr Sullivan received a vote of 4.8% against.

The remuneration report received a 10.59% vote against - not enough to trigger a second strike and a spill of the board but enough to send a message to the Board that remuneration still needs some attention.

ASA asked when the details of the new remuneration arrangements would be available and questioned how the price triggers based on share price for the CEO's incentive would improve governance and culture. Mr Murray's response was that due to the CEO's January start this would not be completed until December 2019. The CEO plan would include achievement milestones and costings so that the Board can assess the value for shareholders.

The constitutional changes were approved with a 99.56% vote.

[A video and full transcript of the AGM](#) is available from the company website.