



Notice of Meeting 09

YOUR GUIDE TO THE 2009 ANNUAL GENERAL MEETING

10.00AM (AEST) THURSDAY 14 MAY 2009,
CITY RECITAL HALL, ANGEL PLACE, SYDNEY

1849

2009

Your guide to AMP Limited's 2009 Annual General Meeting (AGM)

The formal Notice of Meeting starts on page 5 of this booklet. Your Proxy Form is included in your Annual Report/AGM mail pack, or if you received the Notice of Meeting by email, you can complete and lodge your Proxy Form online.

Please read this booklet carefully. It provides important information about the agenda and the resolutions you are being asked to vote on at the AGM.

When and where will the Meeting be held?

The Meeting will be held on Thursday 14 May 2009 at 10.00am (AEST) at the City Recital Hall, Angel Place, Sydney, NSW, Australia.

Can you watch the Meeting live online?

You can watch a live webcast of the Meeting at www.amp.com.au/shareholdercentre

How can you vote?

If you are a shareholder who is entitled to attend and vote at the Meeting, you can vote by:

- attending the Meeting yourself; or
- appointing someone to attend the Meeting and vote on your behalf. The person you appoint is known as your 'proxy'.

How do you 'appoint a proxy' to vote on your behalf?

If you are not going to attend the Meeting, then you can appoint someone as your proxy to attend and vote on your behalf. You can do that online or by using the form enclosed with this document. Full instructions about each method are on page 6 of this booklet.

Who can be your proxy?

You can appoint anyone as your proxy. For example, you can appoint a friend, an adviser or the Chairman. The person you appoint does not need to be a shareholder of AMP.

Can you appoint more than one proxy?

If you are entitled to cast two or more votes at the Meeting, then you may appoint two proxies. There is more information about this on pages 6 to 8 of this booklet.

What is the deadline for appointing a proxy?

The deadline for appointing a proxy is 10.00am (AEST) on Tuesday 12 May 2009.

Where do you send your completed and signed proxy form?

You can send your completed and signed proxy form by mail in the enclosed reply paid envelope. You can also complete and lodge your proxy form online at www.investorvote.com.au. See page 7 for details about lodging your proxy online.

How to get to the Meeting

Bus: buses travel along George, Castlereagh and York Streets.

Train: the nearest station is Wynyard.

Please contact 131 500 for public transport information.

Car: Secure Parking operates a 180-space car park next door to the City Recital Hall, Angel Place at 123 Pitt Street, Sydney. Go to www.secureparking.com.au for further information.



More information?

You should read the rest of this booklet to:

- understand the agenda for the Meeting and the resolutions you and other shareholders are being asked to consider at the AGM, and
- find out how to vote either in person at the Meeting or by appointing someone to vote for you.

The formal Notice of Meeting starts on page 5 and the Explanatory Notes start on page 9. Your proxy form is included with your AGM printed mail pack, or if you received your information online, follow the instructions in the email. You can also complete and lodge your proxy form online at www.investorvote.com.au

What will happen at the meeting?

The Chairman and the Managing Director will report on AMP's performance during 2008 and will take questions about that performance during Item 1 on the agenda.

Shareholders will then be asked to:

- approve the issue of equity securities
- re-elect three directors
- adopt AMP's Remuneration Report, and
- approve the long-term incentive arrangements for Craig Dunn, Managing Director.

Approval of issue of equity securities

Shareholders' approval is being sought under ASX Listing Rule 7.4 for the issue of 84,905,660 fully paid AMP ordinary shares (Securities) made by AMP on 11 November 2008. The Securities represented approximately 4.5% of AMP's fully paid ordinary shares on issue as at the date of their issue.

ASX Listing Rule 7.1, imposes a limit on the number of equity securities that a company can issue in a 12 month period without shareholder approval. Generally, a company cannot, without shareholder approval, issue in any 12 month period shares exceeding 15% of the number of fully paid ordinary shares on issue 12 months before the date of issue.

ASX Listing Rule 7.4 provides that an issue of shares can be regarded as having been made with shareholder approval for the purpose of ASX Listing Rule 7.1 if the company's shareholders subsequently approve the issue.

AMP's capital base is critical to its ability to manage its business. AMP funds itself from various sources, including deposits, borrowings in the debt capital markets and equity capital. With the turmoil in global credit markets, it is important, in the current climate, for the Board to have maximum flexibility in accessing all forms of capital. The requirement to obtain shareholder approval for an issue (and the need to convene a special meeting to do so) before the issue, could limit AMP's ability to take advantage of opportunities to raise equity capital.

No decision has been made by the Board to undertake any further issue of equity securities in the event that approval is received from shareholders. The Board will only decide to issue further equity securities if it considers it is in the best interests of AMP to do so.

Any future equity raisings would remain subject to the 15% limit set out in ASX Listing Rule 7.1.

Re-election of directors

This resolution seeks your approval for the re-election of three directors to the Board. Further information, including full biographies of these directors, is included in the Explanatory Notes.

Adoption of Remuneration Report

The report includes details of the remuneration of AMP non-executive directors, executive directors and nominated senior executives and is put to shareholders to adopt. Under current legislation this vote is non-binding, however the Board will take the outcome of the vote into account when considering any future remuneration policy.

Approval of long-term incentives for the Managing Director

While not required by law to do so, AMP believes it is good governance to seek shareholder approval for Craig Dunn's 2009 long-term incentive (LTI) grant.

The LTI grant is contingent on AMP's ability to generate above average total shareholder returns (TSR) over a three-year period and aims to align the long-term interests of the Managing Director with those of shareholders. If AMP performs well, delivering above average TSR outcomes for shareholders, the Managing Director shares in this performance through his LTI outcome. If above average performance isn't achieved, he receives no LTI payment.

Further detail and explanation of the LTI plan is included in the Explanatory Notes on page 14 and in the Remuneration Report on page 14 of the 2008 Annual Report.

Notice of Annual General Meeting

The Annual General Meeting of shareholders of AMP will be held at the City Recital Hall, Angel Place, Sydney at 10.00am (AEST) on Thursday 14 May 2009.

Items of business

Item 1: Financial statements and reports

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report for the year ended 31 December 2008.

Item 2: Approval of Issue of Equity Securities

To consider and, if thought fit, to pass the following ordinary resolution: "That for the purposes of ASX Listing Rule 7.4, the issue of shares by AMP, as and on the basis described in the Explanatory Notes to the Notice convening the Meeting, is approved."

Voting exclusion

Except as permitted by the ASX waiver referred to below, AMP will disregard any votes cast on the proposed resolution set out in Item 2 by any person who participated in the issue of shares referred to in Item 2 or any associate of those persons, unless:

- the vote is cast as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form specifying how the proxy is to vote; or
- the vote is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

ASX has granted AMP a waiver from ASX Listing Rule 14.11 to permit AMP to count votes cast on the proposed resolution in Item 2 by holders of securities who participated in the issue of shares the subject of the resolution to the extent only that those holders are acting solely in a fiduciary, nominee or custodial capacity on behalf of beneficiaries who did not participate in the issue of shares (Nominee Holders). The waiver is subject to the following conditions:

- the beneficiaries provide written confirmation to the Nominee Holders that they have no interest in the outcome of the resolution in Item 2, nor are they an associate of such a person who has an interest in the outcome of the resolution;
- the beneficiaries direct the Nominee Holders to vote for or against the resolution in Item 2; and
- the Nominee Holders do not exercise discretion in casting a vote on behalf of the beneficiaries.

Item 3: Re-election of Directors

- To re-elect David Clarke as a Director.
- To re-elect Richard Grellman as a Director.
- To re-elect Meredith Hellicar as a Director.

Item 4: Remuneration Report

To adopt the Remuneration Report for the year ended 31 December 2008.

Item 5: Approval of Managing Director's Long-Term Incentive

To consider and, if thought fit, to pass the following ordinary resolution:
"That approval is given to the acquisition by the Managing Director of AMP Limited, Mr Craig Dunn, of:
(a) performance rights under AMP's long-term incentive program; and
(b) shares in AMP Limited on the exercise of some or all of those performance rights,
as and on the basis described in the Explanatory Notes to the Notice convening the Meeting."

Additional Information

The Notice and the proposed resolutions should be read in conjunction with the Explanatory Notes which accompany this Notice on pages 9 to 17.

Determination of entitlement to vote at the Meeting

AMP has determined that the shares of AMP that are on issue as at 7.00pm (AEST) on Tuesday 12 May 2009 will be taken, for the purposes of the Meeting, to be held by the persons who hold them at that time. Accordingly, you will be entitled to vote at the Meeting if you are a registered shareholder of AMP at 7.00pm (AEST) on Tuesday 12 May 2009.

Can I appoint a proxy?

A shareholder who is entitled to attend and vote at the Meeting may appoint a proxy to attend and vote at the Meeting on behalf of that shareholder. Shareholders can appoint anyone as their proxy, including the Chairman of the Meeting. A proxy does not need to be a shareholder of AMP.

If a shareholder is entitled to cast two or more votes at the Meeting, the shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the appointment does not specify the proportion or the number of the shareholder's votes that each proxy may exercise, each proxy may exercise half of the shareholder's votes on a poll. Fractions will be disregarded.

If a shareholder appoints two proxies, neither is entitled to vote (as proxy) on a show of hands at the Meeting – they can vote only on a poll taken on a proposed resolution.

If the same person (such as the Chairman) is appointed as proxy for two or more shareholders, and those shareholders have specified different ways for the proxy to vote on a proposed resolution, the proxy is not entitled to vote (as proxy) on a show of hands on that resolution.

Where do I send my proxy form?

Send your completed proxy form:

- by mail* to the AMP Share Registry, using the envelope enclosed or by posting it to:
Australia: Reply Paid 2980, Melbourne Victoria 8060
New Zealand: PO Box 91543, Victoria Street West, Auckland 1142
Other countries: GPO Box 2980, Melbourne Victoria 3001, Australia
- online* by lodging your proxy at the AMP Share Registry's online voting facility at www.investorvote.com.au. To use this facility you will need to enter the Control Number as shown on the front of your printed proxy form, followed by your Shareholder Reference Number (SRN) or Holder Identification Number (HIN). You will be taken to have signed the proxy form if you lodge it in accordance with the instructions on the website. If you wish to use this facility, you must lodge your proxy form through the facility no later than 10.00am (AEST) on Tuesday 12 May 2009.
- by fax* Australia: 1300 301 721
New Zealand: 09 488 8787
Other countries: +613 9473 2555
- by hand delivery* to AMP's registered office:
Level 24, 33 Alfred Street, Sydney NSW 2000, Australia
or to AMP Share Registry (Australia):
Level 3, 60 Carrington Street, Sydney NSW 2000, Australia
or to AMP Share Registry (New Zealand):
Level 2, 159 Hurstmere Road, Takapuna, North Shore City, New Zealand

What is the due date for appointing a proxy?

Your completed proxy form (and any necessary supporting document) must be received by AMP no later than 10.00am (AEST) Tuesday 12 May 2009. If your proxy form (and any necessary supporting document) is not received by then, your proxy appointment will not be effective for the scheduled AGM.

What if a proxy is appointed under a power of attorney?

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney, or a certified copy, is sent with the proxy form unless the power of attorney has already been sighted by the AMP Share Registry. A proxy cannot be appointed by online completion and lodgement of the proxy form (through the AMP Share Registry's voting site) if they are appointed under a power of attorney or similar authority.

How does a shareholder that is a company execute the proxy form?

If the shareholder executing the proxy form is a company, then it must execute the proxy form in one of the following ways:

- by having two directors or a director and a secretary of the company sign the proxy form;
- if the company is a proprietary company with one director who is also the secretary of the company (or the company does not have a secretary), by having that director sign it in the ‘individual or first shareholder’ box on the proxy form;
- by having a duly authorised officer or attorney sign the proxy form (in which case the shareholder must send with the proxy form the original, or a certified copy, of the document authorising the attorney or representative); or
- if the company has a common seal, by affixing the common seal in accordance with the company’s constitution together with the required signatures.

Does a proxy have to vote?

A proxy may decide whether or not to vote on any motion – unless the proxy is required by law or AMP’s Constitution to vote.

How should a proxy vote?

If the shareholder appointing the proxy:

- directs the proxy how to vote on an item of business, then the proxy may only vote on that item in the way the shareholder directed; or
- does not direct the proxy how to vote on an item of business or any other motion at the Meeting, then the proxy may vote as he or she thinks fit on that item or motion.

How will the Chairman vote as proxy if the shareholder has not directed the Chairman how to vote?

If a shareholder appoints the Chairman of the Meeting as proxy and does not direct the Chairman how to vote on the proposed resolutions set out in this Notice, then the Chairman intends to vote in favour of each of the proposed resolutions (if a poll is called on the relevant resolution).

By order of the Board



Brian Salter
General Counsel & Company Secretary
13 March 2009

Explanatory notes

The information below is an explanation of the business to be considered at the 2009 AGM.

Item 1: Financial statements and reports

The 2008 Annual Report (which includes the Financial Report, the Directors’ Report and the Auditor’s Report) will be presented to the Meeting. Shareholders can access a copy of the 2008 Annual Report on AMP’s website at the following address: www.amp.com.au/shareholdercentre. A printed copy of the 2008 Annual Report has been sent only to those shareholders who have elected to receive a printed copy. Shareholders may elect to receive, free of charge, a printed copy of the Annual Report for each financial year. To obtain information about making this election, please contact the AMP Share Registry.

During this item, shareholders will be given a reasonable opportunity to ask questions about, and make comments on, the reports and AMP’s management, business, operations, financial performance and business strategies.

Shareholders will also be given a reasonable opportunity at the Meeting to ask a representative of AMP’s auditor, Ernst & Young, questions relevant to the conduct of the audit, the preparation and content of the Auditor’s Report, the accounting policies adopted by AMP in relation to the preparation of the financial statements, and the independence of the auditor in relation to the conduct of the audit.

If you would prefer to submit a written question to the auditor regarding the content of the Auditor’s Report or the conduct of the audit, please do so in accordance with the instructions on page 18 under the heading *Questions from shareholders*. Please note that all written questions must be received by no later than Thursday, 7 May 2009 so that they may be answered at the Meeting.

Item 2: Approval of Issue of Equity Securities

Background

ASX Listing Rule 7.1 imposes a limit on the number of equity securities (including ordinary shares) that a company can issue or agree to issue without shareholder approval. Generally, a company may not, without shareholder approval, issue in any 12 month period, more than 15% of the number of shares on issue 12 months before the date of the issue.

ASX Listing Rule 7.4 provides that an issue by a company of shares made without shareholder approval under ASX Listing Rule 7.1 is treated as having been made with approval for the purposes of ASX Listing Rule 7.1, if the issue did not breach ASX Listing Rule 7.1 when made and the company’s shareholders subsequently approve it.

Accordingly, the Board has decided to seek shareholder approval under ASX Listing Rule 7.4 for the issue of 84,905,660 fully paid AMP ordinary shares made by AMP on 11 November 2008 (Securities).

The Securities represented approximately 4.5% of AMP’s fully paid ordinary shares on issue as at the date of their issue.

Why are we seeking shareholder approval?

AMP's capital base is critical to its ability to manage its business. AMP funds itself from various sources, including deposits, borrowings in the debt capital markets and equity capital. With the current turmoil in global credit markets, it is important for the Board to have maximum flexibility in accessing all forms of capital.

The requirement to obtain shareholder approval for an issue (and the need to convene a special meeting to do so), before the issue, could limit AMP's ability to take advantage of opportunities that may arise to raise equity capital.

No decision has been made by the Board to undertake any further issue of equity securities in the event that approval is received from shareholders in respect of Item 2. The Board will only decide to issue further equity securities if it considers it is in the best interests of AMP to do so. This may depend, among other things, on the capital position of AMP, conditions in domestic and international capital markets and changes in the prudential regulation of AMP.

Notwithstanding an approval by shareholders of the proposed resolution relating to this item of business, any future equity raisings would remain subject to the 15% limit set out in ASX Listing Rule 7.1, but the Securities would not be included in the number of shares that can be issued without shareholder approval.

What are the details of the Securities for which approval is being sought under Item 2?

The following information is provided in connection with the approval under this item sought from shareholders for the issue of the Securities.

AMP confirms that the issue of the Securities at the relevant times did not breach ASX Listing Rule 7.1.

All of the Securities issued were fully paid ordinary shares, ranking equally in all respects with the ordinary shares then on issue. The funds resulting from the issue of the Securities were, or will be, used to enhance AMP's capital position and increase business flexibility.

The Securities were issued on 11 November 2008 at \$5.30 per share. The Securities were allotted to new and existing institutional shareholders based upon bids placed by those investors into a bookbuild conducted by UBS AG, Australia Branch pursuant to a Placement Underwriting Deed dated 5 November 2008.

Board recommendation:

The Board considers that the approval of the issue of the Securities described above is beneficial for AMP as it provides it with the flexibility to issue up to the maximum number of shares permitted under ASX Listing Rule 7.1 in the next 12 months (without further shareholder approval), should it be required.

Accordingly, the Board recommends that shareholders vote in favour of Item 2.

Item 3: Re-election of Directors

Who are the current candidates for directorships?

David Clarke and Meredith Hellicar are non-executive directors who are both retiring by rotation in accordance with AMP's Constitution. Both are eligible to be re-elected as directors of AMP and intend to offer themselves for re-election.

Richard Grellman is a non-executive director who as at the date of the Meeting will have held that office for nine years. Under AMP's Constitution, this means that he would need to be re-elected at every subsequent AGM if he is to continue in office after the relevant AGM. Richard Grellman is eligible to be re-elected as a director of AMP and has been requested by the Board, with the unanimous support of the directors, to stand for re-election. Richard's deep understanding of and long experience at AMP together with his strong background in finance and accounting are especially valuable given current economic conditions and the prevailing uncertainty in domestic and international financial markets.

The Board has conducted an assessment of the performance of the three candidates. The directors (with David Clarke, Richard Grellman and Meredith Hellicar abstaining in respect of their own re-election) unanimously recommend the re-election of David Clarke, Richard Grellman and Meredith Hellicar.

Separate resolutions will be put to the Meeting in respect of each candidate.

Profiles of the three candidates are over the page.



David Clarke
Independent, non-executive director
LLB. Age 53

David was appointed to the AMP Limited Board in July 2005. He is a member of the Audit Committee and the People and Remuneration Committee and was a director of AMP Capital Investors and a member of its Audit Committee from August 2005 to March 2007.

Experience: David has over 25 years experience in investment banking, funds management and retail banking. He joined Westpac Banking Corporation in July 2000 where he ran the Australian Business and Consumer Bank prior to being appointed Chief Executive of BT Financial Group, Westpac's wealth management business, in September 2002. David was previously Director and Chief Executive of MLC Limited (a subsidiary of Lend Lease Corporation of which he was a director). He built MLC into one of Australia's leading funds management businesses and led the Asian Pacific business operations of Lend Lease, gaining experience across the group's portfolio of global interests, including property development and financial services. David's early career was spent in Lloyds Bank, culminating in becoming the Chief Executive of Lloyds Merchant Bank in the United Kingdom. David was appointed Chief Executive Officer and Managing Director of Allico Finance Group Limited in April 2007 until his resignation in December 2008.

Directorships of listed companies held in past three years:

David has been a director of Allico Equity Partners Limited since May 2008 and is a director of Allico Finance Group Limited.

Other current directorships:

David has been a governor of Ascham School Limited since 1993.



Richard Grellman AM
Independent, non-executive director
FCA. Age 59

Richard was appointed to the AMP Limited Board in March 2000. He is Chairman of the Audit Committee and a member of the Nomination Committee. He has been a director of AMP Life Limited since November 2001, chairs its Audit Committee and has also been a member of AMP Capital Investors Limited's Audit Committee since August 2005.

Richard was also a director of Gordian RunOff Limited from May 2004 to March 2008 (and Chairman from May 2005).

Experience: Richard has over 32 years of experience in the accounting profession. He was a partner of KPMG from 1982 to 2000 and a member of KPMG's National Board from 1995 to 1997 and National Executive from 1997 to 2000. He was an independent financial expert for AMP's demutualisation and investigating accountant for AMP's prospectus and listing. In 2007, Richard was appointed a member of the Order of Australia for service to the community, particularly through leadership roles with Mission Australia and fundraising with Variety, The Children's Charity, and to the finance and insurance sectors.

Directorships of listed companies held in past three years:

Richard was appointed a director of Centennial Coal Company Limited in February 2008. He has been a director of Bisalloy Steel Group Limited (formerly Atlas Group Holdings Limited) since February 2003 and was a director of Trafalgar Corporate Group Limited from 2002 to November 2008 and Chairman from 2006. He was Chairman of Cryosite Limited from December 2002 to March 2008.

Other current directorships:

Richard has been Chairman of the Board and Council of the NSW Motor Accidents Authority since 1994, director of Mission Australia since 1984, and President and Chairman since 2000. In 2006, he was appointed Chairman of the NSW Lifetime Care and Support Authority. In 2002, Richard was appointed Chairman of The Association of Surfing Professionals (International) Limited.



Meredith Hellicar
Independent, non-executive director
BA, LLM (Hons). Age 55

Meredith was appointed to the AMP Limited Board in March 2003. She is Chairman of the People and Remuneration Committee, has been a director of AMP Bank Limited since June 2004 and has been a director of the AMP Life Limited Board since May 2006 and Chairman since October 2006.

Experience: Meredith has over 20 years of senior executive experience in the oil, coal, logistics, legal and financial services industries. She was previously Managing Director of TNT Logistics Asia, Chief Executive of Corrs Chambers Westgarth and Managing Director of InTech Financial Services Limited. Her previous directorships include NSW Treasury Corporation, AurionGold, HLA Envirosiences (Chairman), the NSW Environment Protection Authority and HCS Limited. Meredith was a member of the Takeovers Panel from 1999 until 2008. She was awarded a Centenary Medal in 2003 for service to Australian society in business leadership and is a member of the CEDA Board of Governors.

Directorships of listed companies held in past three years:

Meredith was a director of James Hardie Industries NV from October 2001 to February 2007 (she was Chairman from August 2004 to February 2007). She was a director of Southern Cross Airports Group from February 2003 to March 2007 and has been a director of Amalgamated Holdings Limited since October 2003.

Other current directorships:

Meredith has been a director of the Sydney Institute since 1993 and was Chairman from April 1998 to April 2008. She has been a director of the Garvan Institute Foundation since March 2002.

Item 4: Remuneration Report

Directors of listed companies, such as AMP, are required to provide detailed disclosures of director and executive remuneration in their Directors' Reports. These disclosures are set out in the 'Remuneration Report' on pages 11 to 30 of AMP's 2008 Annual Report, which has been made available to shareholders and is also available online at www.amp.com.au/shareholdercentre

The contents of the Remuneration Report include (among other things):

- a discussion of the Board's policy in relation to the nature and level of remuneration of directors and senior managers of AMP and the AMP Group;
- discussion of the relationship between the Board's remuneration policy and AMP's performance over the five financial years up to and including 2008;
- information about performance hurdles applicable to the short-term and long-term incentive components of the remuneration of executive directors and senior managers of AMP and the AMP Group; and
- details of the remuneration provided to the Managing Director, the executives reporting directly to the Managing Director, certain other senior executives and non-executive directors of AMP, for the year ended 31 December 2008.

Shareholders will be asked to vote on a resolution to adopt the report at the Meeting. The vote on the resolution will be advisory only and will not bind the directors or AMP. However, the Board will take the outcome of the vote into consideration when considering the remuneration policy for directors and executives in the future.

During the discussion of this item, shareholders will be provided with a reasonable opportunity to ask questions about, and comment upon, the Remuneration Report.

The directors unanimously recommend that shareholders vote in favour of adopting the Remuneration Report.

Item 5: Approval of long-term incentive arrangements for the Managing Director and Chief Executive Officer (Managing Director)

Background

Under his employment agreement with AMP, the remuneration of AMP's Managing Director, Craig Dunn consists of:

- fixed remuneration
- short-term incentive (STI) payable in cash, and
- long-term incentive (LTI) payable in performance rights (which are rights to receive shares if specific performance hurdles are met).

Approximately 73 per cent of the Managing Director's remuneration (that is both STI and LTI) is 'at risk'. Payment of LTI is subject to AMP meeting a total shareholder return (TSR) performance hurdle over a specific time frame to align company and Managing Director interests with those of shareholders.

The AMP International Employee Share Ownership Plan (LTI Plan) has previously been considered by shareholders as part of the information provided to them in October 2003, when AMP proposed the demerger of its UK operations, and is again explained in the Remuneration Report in the 2008 Annual Report. Although specific shareholder approval of the LTI Plan was not required at the time of demerger, the LTI Plan formed part of the proposed ongoing arrangements for AMP which shareholders approved by voting in favour of the demerger.

As a senior executive, Craig Dunn has participated in the LTI Plan (and its predecessor) since 2000 and, in his capacity as Managing Director, continues to be eligible to participate.

Why is shareholder approval being sought?

As any LTI shares for which Craig may become eligible will be bought on-market, AMP is not required by law to seek shareholder approval. However, in the interests of transparency and good governance, AMP believes that it is appropriate to do so. For these reasons, AMP decided last year to seek shareholder approval at last year's AGM for the grant of Craig Dunn's LTI award. Shareholders gave their approval at that time.

It is proposed to again seek shareholder approval at this year's AGM for Craig Dunn's 2009 LTI grant.

What are the proposed long-term incentive arrangements?

Under the LTI Plan, eligible executives are granted long-term incentives in the form of 'performance rights'. Each performance right gives the holder the right to acquire one fully paid ordinary share in AMP, provided that a performance hurdle determined by the Board is met at the end of a three-year performance period. Performance rights are granted at no cost to the holder.

As in 2008, for 2009 it is proposed to grant Craig Dunn performance rights with a fair value of 150% of his fixed remuneration. Given that Craig's fixed remuneration

for 2009 is \$1,400,000 (as it was in 2008), this equates to a grant of performance rights with a value of \$2,100,000 at the time of the grant (2009 Grant).

In determining these LTI arrangements, the directors took into account the nature of the position, the context of the current market, the function and purpose of the long-term component of AMP's remuneration strategy, other components of Craig Dunn's remuneration, benchmarking against the practice of its Australian institutional peers and other relevant information provided by external remuneration consultants.

How many performance rights will be granted to the Managing Director?

The number of performance rights in the 2009 Grant is not currently known as it depends on matters yet to happen and Board determinations yet to be made.

Under the LTI Plan's formula (see below), the number of performance rights in the 2009 Grant is based on a Board determination of the value of the long-term incentive the Managing Director should receive (namely, 150% of the annual fixed remuneration), divided by the average closing share price of AMP shares during the 90 day period immediately preceding the grant, discounted for the likelihood that total shareholder return based performance hurdles will not be met.

For a detailed explanation of the calculation of the actual value of the long-term incentive see page 14 of the 2008 Annual Report.

The formula used to calculate the number of performance rights to be allocated in the 2009 Grant under the LTI Plan, is set out below.

$$N = (LTIA \times FR) / FV$$

where:

LTIA means the actual percentage of the Managing Director's annual fixed remuneration determined by the Board to be applicable for the relevant grant. For the 2009 Grant this will be 150%.

FR means the annual fixed remuneration of the Managing Director as at 1 August in the year of the relevant grant (or such other date determined by the Board). For 2009, this amount is \$1,400,000.

FV means the fair value of a performance right as at 1 August in the year of the relevant grant (or such other date determined by the Board), as determined based on a valuation prepared by an independent external consultant in accordance with the principles set out in accounting standard AASB 2 *Share Based Payments*. The fair value will be based on the average closing share price of AMP during the 90 day period up to and including 31 July in the year of the relevant grant, discounted for the possibility that the performance hurdles applicable to the grant may not be met.

If **N** is a fractional number, it will be rounded up to the nearest whole number of performance rights.

When will performance rights be granted to the Managing Director?

If shareholders approve the proposed resolution in Item 5, the 2009 Grant will be made in August 2009 (at the same time as the annual grant of performance rights to other participants in AMP's LTI Plan).

What performance hurdle would apply to the performance rights?

Under the LTI Plan, each performance right will be subject to a performance hurdle determined by the Board. The current performance hurdle determined by the Board and applicable to all participants of the LTI Plan is based on the total shareholder return (TSR) of AMP over a three-year performance period relative to that of the TSRs of the companies in the market comparator group (being the Top 50 Industrials in the S&P/ASX 100 Index at the start of the performance period) (TSR Ranking). For the grant proposed for 2009, the number of performance rights in the relevant grant that vests and may be converted into AMP shares at the end of the performance period will be determined in accordance with the following vesting schedule:

- if AMP's TSR Ranking is below the 50th percentile of the market comparator group, none will vest
- if AMP's TSR Ranking is at the 50th percentile of the market comparator group, 50% will vest
- if AMP's TSR Ranking is between the 50th and 75th percentile of the market comparator group, 50% plus 2% for each additional percentile (rounded to the nearest whole percentile) will vest, and
- if AMP's TSR Ranking is in at least the 75th percentile of the market comparator group, 100% will vest.

The applicable three-year performance period for the 2009 Grant is 1 August 2009 to 31 July 2012.

Under the LTI Plan, if there is a takeover or other change in control of AMP during the performance period, some or all of the performance rights held by Craig Dunn may vest automatically (even if the performance period has not expired and the applicable performance period has therefore not been met).

The Board may vary or waive the terms and conditions of performance rights in a particular grant.

What will happen to the performance rights if the Managing Director leaves AMP before the end of the performance period?

If Craig Dunn resigns from AMP, all performance rights that have not vested by the end of his notice period will lapse. Performance rights that vest before the end of the notice period will be retained (whether or not Craig is required to serve out the full notice period). All performance rights will lapse if Craig Dunn's employment is terminated by AMP for serious misconduct or inadequate performance. In other cases, such as termination by AMP on notice, death, disability, retirement and redundancy, Craig Dunn's performance rights will be retained subject to the

original performance hurdle and performance period. However, if AMP terminates Craig Dunn's employment by giving notice or his employment is terminated due to death or illness during the 12 month period starting on 1 August 2009 (LTI Grant Year), the number of performance rights for the 2009 Grant that are retained will be reduced pro rata so that the number of retained performance rights reflects the proportion of the LTI Grant Year for which he remained employed.

What will happen at the end of the performance period?

Under the LTI Plan, if some or all of the performance rights in a particular grant satisfy the performance hurdle at the end of the applicable performance period and therefore vest, Craig Dunn will have two years from the end of that period in which to exercise those rights to acquire fully paid ordinary shares in AMP. A nominal exercise price will be payable by Craig Dunn of \$1 for all shares acquired on exercise of a particular tranche of performance rights.

If the performance hurdle is not achieved for some or all of the performance rights granted to Craig Dunn, those performance rights will lapse immediately without re-testing of the performance hurdle.

It is intended that shares delivered to Craig on exercise of any vested performance rights will be bought on-market and, therefore, will not dilute existing AMP shareholdings.

What will happen if shareholders do not approve the 2009 Grant?

To compensate Craig Dunn for the remuneration he would forego if shareholder approval of long-term incentives is not given, Craig Dunn is entitled, under his employment agreement, to receive a cash payment instead of the long-term incentives. Craig Dunn will only be entitled to receive a cash payment if the performance hurdles are satisfied.

For the 2009 Grant, provided the performance hurdles above are satisfied, the cash amount will be equivalent to the value the grant would have had at vesting if it had been approved by shareholders.

Board recommendation

In the non-executive directors' view, it is in the best interest of shareholders to approve the share based 2009 long-term incentive grants to the Managing Director because they appropriately align the Managing Director's remuneration with shareholder returns due to the significant performance hurdles AMP must achieve for the long-term incentives to vest. Your directors (with the Managing Director, Craig Dunn, abstaining) therefore recommend shareholders approve the 2009 Grant and the Managing Director's participation in the LTI Plan.

As Craig Dunn has a personal interest in the resolution proposed in Item 5 of the Notice, Craig has elected that he and his associates will not vote on Item 5 at the 2009 AGM.

More information

If you need further information call the AMP Share Registry on:

Australia: 1300 654 442

New Zealand: 0800 448 062

Other countries: +613 9415 4051

Or visit our website at www.amp.com.au/shareholdercentre

Questions from shareholders

Questions should relate to matters that are relevant to the business of the Meeting, including matters arising from the Financial Report, the Directors' Report (including the Remuneration Report) and the Auditor's Report, general questions regarding the performance, business or management of AMP, and relevant questions of the auditor. There are three ways to ask AMP or the auditor a question(s).

1. Online at www.amp.com.au/shareholdercentre then click on ask a question. You will need your Shareholder Reference Number or Holder Identification Number.
2. Post or fax your question to the AMP Share Registry. You can use the envelope enclosed. Registry contact details are on the back cover of this booklet.
3. Attend the Meeting.

Please note: Your questions (other than written questions to the auditor and questions you wish to ask personally at the Meeting) must be received no later than Thursday 7 May 2009.

The Chairman of the Meeting will answer as many of the frequently asked questions as possible at the Meeting. Due to the expected volume of questions we will not be sending individual replies. The Meeting will be webcast live at www.amp.com.au/shareholdercentre

2008 Annual Report

A copy of AMP's 2008 Annual Report (including the Financial Report, Directors' Report and Auditor's Report for the year ended 31 December 2008) is accessible on AMP's website at www.amp.com.au/shareholdercentre. In accordance with the *Corporations Act 2001* (Cth), a printed copy of the 2008 Annual Report has been sent only to those shareholders who have elected to receive a printed copy.

Definitions

AEST means Australian Eastern Standard Time

AGM means Annual General Meeting

AMP means AMP Limited (ABN 49 079 354 519)

AMP group means AMP and its controlled entities

AMP Share Registry means Computershare Investor Services Pty Limited (ABN 48 078 279 277), Level 3, 60 Carrington Street, Sydney NSW 2000

Board means AMP Limited Board

Meeting means the 2009 AMP Limited Annual General Meeting

Notice means the Notice of Meeting on pages 5-8

Corporations Act means the *Corporations Act 2001* (Cth)

You or holder means a holder of AMP shares

Interpretation

In this booklet, unless the context otherwise requires:

- headings are for convenience only and do not affect interpretation;
- the singular includes the plural, and vice versa;
- words importing one gender include other genders;
- where a word or phrase is defined, other grammatical forms have a corresponding meaning;
- a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation) and assigns;
- a reference to currency is to Australian dollars; and
- a reference to time is to Australian Eastern Standard Time (AEST).



Need help?

Contact the AMP Share Registry

Email ampservices@computershare.com.au
Internet www.amp.com.au/shareholdercentre
Voting website www.investorvote.com.au

Australia AMP Share Registry
Reply Paid 2980
MELBOURNE VIC 8060
Phone 1300 654 442
Fax 1300 301 721

New Zealand AMP Share Registry
PO Box 91543
Victoria Street West
AUCKLAND 1142
Phone 0800 448 062
Fax 09 488 8787

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AMP is incorporated and domiciled in Australia
General Counsel and Company Secretary: Brian Salter

AMP Limited ABN 49 079 354 519