

Directors' report

Your directors present their report on the consolidated entity consisting of AMP Limited and the entities it controlled at the end of or during the year ended 31 December 2007.

Directors' details

The AMP Limited Board consists of the non-executive chairman, six other non-executive directors and one executive director. The following changes in the composition of the board have occurred during the year and up to the date of this report:

- John Palmer joined the AMP Board on 24 July 2007.
- John Astbury retired from the AMP Board on 31 October 2007.
- Andrew Mohl retired from the AMP Board on 31 December 2007.
- Brian Clark joined the AMP Board on 1 January 2008.
- Craig Dunn joined the AMP Board on 1 January 2008.

Details of each director's qualifications, experience and special responsibilities are set out below.



Peter Mason AM

Chairman

BCom (Hons), MBA
Honorary Doctorate of Business (UNSW)
Age 61

Peter was appointed to the AMP Limited Board in October 2003 and assumed the role of Chairman in September 2005. He is a member of the Audit Committee, Remuneration Committee and the Nomination Committee.

Experience: Peter has 40 years experience in investment banking and is currently a Senior Advisor to UBS Investment Bank. He was chairman of JP Morgan Chase Bank in Australia from 2000 to 2005, and chairman of their associate, Ord Minnett Group. Prior to this he was chairman and chief executive of Schroders Australia Limited and group managing director of Schroders' investment banking business in the Asia Pacific region. For 12 years he was a director of the Children's Hospital in Sydney and chairman of the Children's Hospital Fund for eight years. Peter was appointed a member of the Order of Australia for his contribution to the Children's Hospital.

Directorships of companies held in the past three years: Peter was a director of Mayne Group Limited from 1992 until February 2005.

Other current directorships: Peter is a director of David Jones Limited, the University of New South Wales Foundation and The Australian Research Alliance for Children and Youth. He also serves on the Advisory Board of The National Youth Mental Health Foundation.



Craig Dunn

Managing Director & Chief Executive Officer

BCom, ACA
Age 44

Craig was appointed Managing Director and Chief Executive Officer on 1 January 2008. He has been a director of AMP Life Limited since April 2002.

Experience: Prior to becoming CEO, Craig was managing director, AMP Financial Services, from 2002 to 2007. He joined AMP in January 2000, and has held a number of senior roles, including managing director of AMP Banking, and director, Office of the CEO. Before joining AMP, Craig was CEO of a Malaysia-based insurance company, a joint venture of Colonial Limited. He worked for KPMG throughout Europe and in Indonesia before joining Colonial. Craig is currently an Advisory Board Member with the Government's Financial Literacy Foundation and a former chairman of the Investment and Financial Services Association (IFSA).



Brian Clark

Director

DSc
Age 59

Brian was appointed to the AMP Limited Board on 1 January 2008.

Experience: Brian spent 10 years in a variety of senior executive roles at Vodafone internationally, most recently in a United Kingdom-based role as group human resources director. He was also chief executive officer of Vodafone's Australian business as well as CEO of the Asia Pacific region, based in Tokyo. He was a member of the company's global executive committee throughout his tenure with the company. Before joining Vodafone, Brian spent three years as CEO of Telkom SA Ltd, the state-owned telephone company in South Africa, where he oversaw the partial privatisation of the company and a total re-engineering of its operations. Brian has degrees in physics and mathematics and a PhD, all from the University of Pretoria, and has completed the Advanced Management Program at the Harvard Business School.

Directorships of listed companies held in past three years: Brian was a director of National Australia Bank Limited from 2001 to 2004, and of various Vodafone Group Plc subsidiary and separately listed boards.

Other current directorships: Brian has been a director of Boral Limited since May 2007 and a member of the Advisory Board of Merrill Lynch in Australia since November 2007.



David Clarke
Director
 LLB
 Age 52

David was appointed to the AMP Limited Board in July 2005. He is a member of the 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 Allco Finance Group Limited in April 2007.

Directorships of listed companies held in past three years: David has been a director of Allco Finance Group Limited since April 2007.

Other current directorships: David is governor of Ascham School Limited since 1993 and is a director of the Hornery Institute.



Richard Grellman AM
Director
 FCA
 Age 57

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 and chairs its Audit Committee. Richard has been a director of Gordian RunOff Limited since May 2004 and chairman since May 2005. He is also a member of the AMP Capital Audit Committee.

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 has been the chairman of Cryosite Limited since December 2002, director of Atlas Group Holdings Limited since February 2003, director of Trafalgar Corporate Group since 2002 and its chairman since 2006.

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
Director
 BA, LLM (Hons)
 Age 54

Meredith was appointed to the AMP Limited Board in March 2003. She is chairman of the Remuneration Committee, has been a director of AMP Bank since June 2004 and has been a director of the AMP Life Limited Board since May 2006 and its 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 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 Envirosciences (chairman), the NSW Environment Protection Authority and HCS Limited. Meredith has been a member of the Takeovers Panel since March 1999. 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. Meredith has been a director of Amalgamated Holdings Limited since October 2003.

Other current directorships: Meredith has been chairman of the Sydney Institute since 1998 and has been a director of the Garvan Institute Foundation since March 2002.



John Palmer

Director
ONZM, BAgrSc, FNZID
Age 60

John was appointed to the AMP Limited Board on 24 July 2007. He is a member of the Remuneration Committee, and he has been a director of the AMP Life Board since May 2004. He was previously a director of the AMP Bank Board from 1998 to 2003. John is based in New Zealand.

Experience: John has considerable experience as a director and chairman of companies in the agricultural and finance sectors. His other business interests focus largely on horticultural production and servicing. He has a track record of successfully leading change and reconstruction of diverse corporates in marketing, agribusiness and aviation. In 1998 he received the Bledisloe Cup for outstanding contribution to the New Zealand fruit industry. In 1999 he was awarded with an Officer of the New Zealand Order of Merit (ONZM) for service to the New Zealand kiwifruit industry.

Directorships of listed companies held in past three years: John has been the chairman of Air New Zealand Limited since November 2001 and chairman of Solid Energy NZ Limited since January 2007. He is a director of Rabobank Australia Limited and Saxton Fruit Ltd.



Dr Nora Scheinkestel

Director
LLB (Hons), PhD, FAICD
Age 47

Nora was appointed to the AMP Limited Board in September 2003. She is chairman of the Nomination Committee and a member of the Audit Committee. She has been a director of AMP Capital Investors Limited since February 2004 and chairs its Audit Committee.

Experience: Nora was formerly a senior banking executive in international and project financing. She held positions with CRA Limited, Macquarie Bank, Chase AMP and Deutsche Bank where, as head of the Project Finance Unit, she was responsible for the development and financing of major projects in Australasia and South East Asia. Nora's current consulting practice assists government, corporate and institutional clients in areas such as corporate governance and project and structured finance. Nora is an experienced company director having served as chairman and non-executive director of companies in a wide range of industry sectors and in the public, government and private spheres. Previous directorships include North Limited, IOOF Funds Management, Medical Benefits Fund of Australia Limited and chairman and director of various energy and water utilities, in addition to those listed below. Nora is also an Associate Professor at the Melbourne Business School at Melbourne University. In 2003, she was awarded a centenary medal for services to Australian society in business leadership.

Directorships of listed companies held in past three years: Nora has been a director of PaperlinX since 2000 and of Orica Limited since August 2006. Nora was a director of Newcrest Mining (2000 to 2007), Mayne Group Limited (2005) and of Mayne Pharma Limited (2005 to 2007).

Sharyn Page

Board Executive and Company Secretary
BA LLB, ACIS, AACI

Sharyn joined AMP in 1990 and progressed through a variety of legal and compliance roles before taking up the role of Assistant Company Secretary in 2003. She was appointed Board Executive and Company Secretary on 18 July 2005.

Attendance at board and committee meetings

Details of attendance by directors of AMP Limited at meetings of boards and committees (of which they were members) held during the year ended 31 December 2007, are shown in the table below. The directors also attended other meetings, including management meetings, during the year.

Board/Committee Held/attended	AMP Limited Board meetings		Audit Committee		Nomination Committee		Remuneration Committee		Ad hoc Committees ¹		Subsidiary Board and Committee meetings ²	
	A	B	A	B	A	B	A	B	A	B	A	B
John Astbury	12	11	5	5	–	–	–	–	–	–	5	4
David Clarke	13	12	–	–	–	–	4	4	–	–	4	4
Richard Grellman	13	12	6	6	3	3	–	–	–	–	28	27
Meredith Hellicar	13	13	–	–	–	–	4	4	–	–	13	13
Peter Mason ³	13	13	–	–	3	3	4	4	2	2	–	–
Andrew Mohl	13	12	–	–	–	–	–	–	2	2	29	23
John Palmer	6	5	–	–	–	–	–	–	–	–	7	6
Nora Scheinkestel	13	12	6	6	3	3	–	–	–	–	18	16

Footnote:

Column A – indicates number of meetings held while the director was a member of the board/committee.

Column B – indicates number of those meetings attended.

1 Ad hoc committees of the board were constituted during the year in relation to the financial results.

2 Subsidiary board and committee meetings include AMP Life Board and Audit Committee, AMP Bank Board, General Insurance Group (boards and Audit Committees) and AMP Capital Investors (boards and Audit Committees) and AMP Superannuation Board.

3 As part of AMP's governance structure, Peter Mason attended four Audit Committee meetings and 12 subsidiary board meetings.

Principal activities

AMP is a company focused on helping Australians and New Zealanders manage their financial well-being so they can enjoy the future they want. AMP aims to be the leading provider of quality financial advice, simple, value-for-money products and superior investment performance in the markets in which it operates.

AMP has two major businesses, AMP Financial Services and AMP Capital Investors.

AMP Financial Services offers customers a range of financial products and services, primarily through one of the largest financial planning networks in the market. These products and services include financial planning advice, superannuation, retirement savings and income products, investments, life and general insurance and selected banking products.

AMP Capital Investors is one of the largest investment managers in Australia and is the largest in New Zealand. It also provides investment management services in Asia.

AMP is currently in the process of selling a third business, Cobalt/Gordian, which manages the run-off of AMP's remaining books of general insurance and reinsurance business, as well as providing services to external clients. AMP announced the sale of this business to Enstar Group Limited on 11 December 2007 and the sale is expected to be completed by the end of the first quarter of 2008.

AMP has 3.4 million customers in Australia and New Zealand, around 4,000 employees, 830,000 shareholders and around \$130 billion of assets under management.

Review of operations and results

AMP has a sound financial base and a powerful and resilient business model. It is executing a disciplined strategy which capitalises on AMP's brand, low-cost and scaleable manufacturing platform, strong partnerships with self-employed planners, diverse investment-management base and consistently good investment performance, cost and capital efficiency, to drive growth in the business and returns for shareholders.