

MEDIA RELEASE

Challenger launches annuity products with Local Government Super

19 July 2016 – Challenger has expanded the provision of its annuities to industry superannuation funds, with Local Government Super now offering members Challenger-backed guaranteed income products.

Local Government Super CEO Peter Lambert said the partnership would help its members make better financial choices for retirement.

“As many of our members move into retirement it’s critical they have access to guaranteed retirement income solutions which help protect them from the risk of outliving their savings. We are pleased to be at the forefront in enabling members to develop portfolios that feature longevity products,” Mr Lambert said.

“Challenger strongly encourages these partnerships as a way to help retirees manage their financial affairs with greater certainty and flexibility after accumulating savings in industry funds over many years,” Challenger’s Distribution, Marketing and Research Chief Executive Paul Rogan said.

“Making our annuities available to industry funds to provide their members with guaranteed income streams is a key strategic driver of growth in the retirement income market for Challenger.”

Local Government Super manages over \$9 billion of retirement savings for 90,000 current and former local government employees. Its members will access Challenger backed annuities through the aspire administrative platform of AAS, part of the Link Group.

In addition to Local Government Super, Challenger is partnering with two other funds, through the AAS platform: legalsuper and CareSuper, which are expected to go live later this year.

At its recent Investor Day, Challenger said that since launching annuities via platforms a year ago, eight percent of total annuity sales now took place on platforms. In addition to the alliance with Link Group’s AAS administration platform, Challenger annuities are also available through Colonial First State’s FirstChoice and FirstWrap investment platforms and, through Challenger’s partnership with VicSuper.

Research undertaken by research company Marketing Pulse in 2015, found 65% of financial advisers expect the availability of annuities through major investment platforms will increase the use of annuities by financial planners.

About Challenger

Challenger Limited (Challenger) is an investment management firm managing \$57.4 billion* in assets. It is focused on providing Australians with financial security for retirement.

Challenger operates two core investment businesses, a fiduciary Funds Management division and an APRA-regulated Life division. Challenger Life Company Limited (Challenger Life) is Australia's largest provider of annuities.

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