

Summary of Group Compliance Policy

1. Introduction

One of the five core principles that form the essence of Challenger is Compliance. The Challenger Group is committed to meeting high compliance and ethical standards in the way it conducts its business. Effective compliance with all applicable laws, regulatory requirements and industry codes, is a key part of enabling the Group to provide high quality products and services and ensuring that our customers, shareholders and other stakeholders are not adversely affected. This policy sets out the responsibilities, management and reporting requirements that are essential to fulfil the compliance culture that the Challenger Group is committed to.

The policy is developed to meet the standards outlined by AS 3806 and the obligations under:

- Statutory and Regulatory requirements
- Relevant industry codes
- Compliance plans and other Group policies
- Corporate and Community standards

2. Application

The policy applies to all legal entities and employees of the Group. The agents and contractors to the Group are also required to act within the requirements of the Policy.

3. Compliance Responsibilities

The Group's Board of Directors have the ultimate responsibility for the Group's corporate governance and compliance standards. Where appropriate, the Board appoints a Compliance Committee which may be made up of a majority of external members. The Committee is responsible to ensure that all compliance plan obligations are met and report to the Board on these matters. The Board in meeting its governance obligations is supported by the Compliance Committee, each Divisional Chief Executive, Compliance Managers, Senior Management and staff who have direct accountability in running the business. In fact, compliance is the day to day responsibility of all employees of the Challenger Group.

4. Compliance Implementation and Reporting

The compliance obligations are implemented by establishing the compliance plan, monitoring the compliance plan and the Group Compliance Policy and putting in place procedures and guidelines that enable the business to operate within the standards prescribed.

The Compliance team partners the business in meeting its compliance obligations by updating, monitoring and reporting on compliance standards and conducting compliance reviews to ensure due diligence obligations are met.

Reporting on the Group's various compliance obligations is carried out by obligatory quarterly compliance certifications. This is facilitated by an electronic reporting system which requires all responsible staff to confirm that they are meeting their compliance obligations on an on going basis.