

CORPORATE CODE OF CONDUCT

1. Introduction

- 1.1 In this Code of Conduct, a reference to **Challenger** means Challenger Limited and any one or more of its controlled entities.
- 1.2 The purpose of this 'Corporate Code of Conduct' (**Code of Conduct**) is to:
- (a) articulate the high standards of honest, ethical and law-abiding behaviour that Challenger expects of its officers and employees;
 - (b) encourage the observance of those standards so as to protect and promote the interests of shareholders and other stakeholders;
 - (c) guide officers and employees as to the practices thought necessary to maintain confidence in Challenger's integrity; and
 - (d) set out the responsibility and accountability of officers and employees to report and investigate reports of unethical practices.
- 1.3 This Code of Conduct applies to all officers (including non-executive directors) and employees of Challenger. In addition, the Chief Financial Officer is also required by Challenger to comply with the *Code of Conduct for Chief Financial Officers* published by the Group of 100.

2. Honesty and Integrity

- 2.1 Challenger expects all officers and employees to observe the highest standards of honesty, integrity and ethical behaviour in performing their duties and in dealing with Challenger's officers, employees, shareholders, policyholders, other customers, suppliers, auditor, external lawyers and other advisers.
- 2.2 To reinforce Challenger's culture of honesty and integrity, Challenger aims to provide a professional and safe working environment. To achieve this Challenger:
- (a) does not permit officers and employees to work while under the influence of alcohol or illegal drugs;
 - (b) is committed to equal opportunity in its employment practices and endorses employment and promotion opportunities based on work related performance;
 - (c) is intolerant of harassment in the work place; and
 - (d) promotes a healthy and safe work environment and encourages officers and employees to report matters which may cause injury to colleagues or customers.

3. Conflicts of Interest/Duty

- 3.1 Each officer and employee needs to be sensitive to, and mindful of, the potential for conflicts to arise (directly or indirectly) between:
- (a) the interests of Challenger (or the duties owed to Challenger by that officer or employee), on the one hand; and
 - (b) any personal (or 'external' business) interests of that officer or employee (or the duties owed to an external company or entity by any such person), on the other hand.

Where an officer or employee has an actual or potential conflict of interest or duty in connection with Challenger's affairs, Challenger expects that officer or employee to be vigilant in seeking to ensure that:

- (c) he or she complies with all applicable obligations to Challenger; and
 - (d) adequate and appropriate steps are taken to safeguard the interests of Challenger and its shareholders.
- 3.2 Officers and employees must be careful to avoid placing themselves in a position where there would be an actual or potential conflict of interest, or a reasonable perception of an actual or potential conflict of interest, between the interests of Challenger (or their duties to Challenger) and any personal or 'external' business interests (or duties). If employees are in any doubt as to whether a conflict arises, they must disclose the conflict to the Group Company Secretary or Group General Counsel and follow his or her instructions about how to resolve the conflict.
- 3.3 Each employee's contract of employment contains more detailed provisions dealing with how to avoid conflicts of interest and duty.

4. Corporate Opportunities

- 4.1 Officers and employees must not improperly use:
- (a) their position with Challenger; or
 - (b) property or information of Challenger obtained as a result of their position,

to gain an advantage for themselves (or for a relative or other associate) or to compete with or harm Challenger.

- 4.2 Officers and employees must not use the name 'Challenger' (or any other business name or trademark used by Challenger) for the purposes of any personal or 'external' business transaction (such as, a business transaction that does not occur as part of Challenger's ordinary business and relates to an officer's or employee's separate business affairs).

- 4.3 Officers and employees must keep any personal or 'external' business dealings separate from the business dealings of Challenger.
- 4.4 Officers and employees must not use their position with Challenger to obtain a personal gain (or a gain for a relative or other associate) from the existing or potential customers or suppliers, or the auditor, lawyers or other advisers, of Challenger.
- 4.5 Challenger operates a Gifts Policy, and employee's contracts of employment include provisions which prohibit receipt or provision of improper personal gifts.

5. Confidentiality

- 5.1 Officers and employees are required to:
 - (a) maintain the confidentiality of all confidential information acquired in the course of performing their duties to Challenger; and
 - (b) not make improper use of, or improperly disclose, such confidential information to third parties,except as otherwise approved by the Board or relevant Chief Executive Officer ("CEO") direct report or required by law or the listing rules of an applicable stock exchange.
- 5.2 These obligations of confidentiality continue after officers and employees leave office or the employment of Challenger.

6. Fair Dealing

- 6.1 Challenger expects officers and employees to deal fairly (and to encourage other employees and officers to deal fairly) with shareholders and with policyholders, other customers, suppliers, competitors and employees of Challenger.
- 6.2 Officers and employees must not take unfair advantage of any shareholder, policyholder, other customer, supplier, competitor, employee, auditor, lawyer or adviser of Challenger through illegal conduct, manipulation, undue influence, concealment, abuse of privileged or confidential information, misrepresentation of material facts, or any other unfair-dealing practice.

- 6.3 Officers and employees are expected to record accurately the performance and financial position of Challenger Group and to communicate business goals and achievements in a fair and honest manner to shareholders.

7. Protection and Proper Use of Challenger's Assets

- 7.1 Challenger expects officers and employees to use all reasonable endeavours to protect the assets of Challenger and to ensure their efficient use. Any suspected incidents of fraud or theft should be reported immediately for investigation. Incidents in respect of the CEO or his direct reports should be reported to the Chairman of the Board or CEO as appropriate, and in all other cases, should be reported to the relevant CEO direct report or Head of Operational Risk Management.
- 7.2 Officers and employees must use the assets of Challenger (such as funds, products, vehicles and computers) for legitimate business purposes or other purposes approved by the Board or the relevant CEO direct report.
- 7.3 Officers and employees must protect the assets of Challenger (including proprietary information such as intellectual property, business and marketing plans, employee information and any information that is not generally known to the public). This obligation to protect Challenger's assets continues after officers and employees leave office and the employment of Challenger.

8. Compliance with Laws, Regulations, Policies and Procedures

- 8.1 Challenger requires officers and employees to comply with:
- (a) both the letter and spirit of all laws, rules and regulations that apply to Challenger in the conduct of its business and affairs;
 - (b) all directions issued by Challenger in its protocols, policies and procedures, including (but not limited to) Challenger's Corporate Code of Conduct.
- 8.2 Challenger also requires its directors, officers and employees to comply with its staff share trading policy.

Encouraging the Reporting of Unlawful and Unethical Behaviour

- 8.3 Challenger is committed to promoting and maintaining a culture of compliance with the standards, requirements and expectations set out in this Code of Conduct. To fulfill this commitment, Challenger needs to be able to ensure that:

- (a) violations of those standards, requirements and expectations are detected and reported; and
- (b) appropriate action is taken in response to any such violations.

8.4 Accordingly, Challenger expects each officer and employee to report, promptly and in good faith, any violation by an officer or employee of Challenger of the standards, requirements or expectations set out in this Code of Conduct (or of any other unethical, unlawful, fraudulent or corrupt behaviour) of which he or she becomes aware or has reasonable grounds to suspect.

8.5 Challenger recognises that the identity of the person or persons to whom any such violations should be reported might vary depending on the particular circumstances. Subject to this, as a general rule, officers and employees are encouraged to report any such violations to the Chairperson of the Board or the Chief Executive Officer (in the case of directors and CEO direct reports) or to the Group Company Secretary or Group General Counsel (in all other cases).

8.6 Where an officer or employee (**Reporting Person**) reports, in good faith, an actual or suspected violation of this Code of Conduct:

- (a) Challenger will, to the extent practicable, keep the Reporting Person's identity confidential; and
- (b) no disciplinary or other adverse action will be taken (or tolerated) against the Reporting Person as a consequence of reporting that violation.

9. Effect of this Code

9.1 This Code of Conduct consists of reasonable directions issued by Challenger with which each officer and employee is required to comply under his or her letter of appointment or contract of employment.

9.2 This Code of Conduct is to be read in conjunction with an officer or employee's letter of appointment or contract of employment and is not intended to limit, in any way, any of the terms of that letter or contract.

A breach of this Code may result in disciplinary action against an employee up to and including dismissal or other legal action.