

Challenger Limited

Summary of Investor Relations Practice Note

1. Introduction

Challenger has adopted an Investor Relations Practice Note, which outlines Challenger's procedures and practices to facilitate effective two-way communication with investors. A summary of this practice note is provided in this paper.

2. Investor Relations function

- 2.1 The primary role of the Investor Relations function is to keep the market fully informed about Challenger's financial, strategic and business operational matters.
- 2.2 Shareholders engage with the company through the Investor Relations function. This is facilitated by the information contained on Challenger's website, including the availability of a shareholder enquiry template which enables investors, analysts and external stakeholders to contact Challenger's Investor Relations team directly.

3. Handling of confidential information

- 3.1 Challenger has adopted a Continuous Disclosure Policy in addition to the Investor Relations Practice Note. Challenger, as an ASX-listed entity, is required to immediately notify ASX if it becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of Challenger's securities. It is therefore critical that Challenger does not engage in any "selective" market disclosure.
- 3.2 **Analyst and investor briefings:** Challenger ensures there are at least two Challenger participants attend each shareholder/analyst meeting, with the Head of Investor Relations responsible for determining who should attend each investor meeting. Presenters at investor meetings are determined by Challenger's CEO and in practice, only senior executives present on behalf of Challenger.
- 3.3 **Presentation materials:** Presentation materials circulated at investor briefings (or in a forum where analysts are likely to be present) are reviewed and signed off in advance by Challenger's Continuous Disclosure Committee (of which the General Counsel and Group Company Secretary is a member) and must always be lodged with the ASX in advance of any briefing. Any questions, from investors or analysts present at the briefing or participating via conference facilities that can only be answered by disclosing material information (that has not yet been disclosed to the ASX) must not be answered. If, however, any such questions are inadvertently answered and new material information is disclosed, Challenger must immediately act in accordance with its Continuous Disclosure Policy and submit the new material information on ASX.
- 3.4 **Access:** Challenger provides broad access to analyst and investor briefings, including by way of live broadcasts of significant investor relations events with webcast details made available to all investors via an ASX announcement before the event.
- 3.5 **Corporate transactions:** There are a number of mechanisms and controls for managing confidential information in the ordinary course of business including IT and physical access controls. In relation to material corporate transactions under consideration, information is confined to a limited number of employees on a need to know basis. Additional transaction-specific confidentiality protocols are established and implemented as required. Requests for trading halts (if required) are also prepared in advance and in the lead up to finalisation and announcement of any material corporate transaction, the Investor Relations team would also be on alert for any potential "leaks" in the market.

4. Analysts forecasts / consensus estimates

- 4.1 Challenger's Investor Relations team monitors sell-side analyst forecasts and maintains a consensus model for internal management purposes. The consensus model/data is not distributed or communicated to any external analyst or any market participant and is used purely as an internal management tool to measure market expectations.
- 4.2 Challenger may from time to time provide guidance to the market as to its expected future financial performance for its Life business, as earnings are predictable and stable and can be forecast with a high degree of certainty. Guidance is provided for 1 year in advance only.
- 4.3 Challenger does not provide guidance for future statutory profit after tax, as statutory earnings are impacted by changes in investment markets, with the impact not being able to be reliably estimated.

5. Challenger's website

- 5.1 Challenger's website has a dedicated Shareholder Centre, managed by Investor Relations. Information on the website includes:
 - annual reports and financial statements, including the latest results presentation material;
 - ASX announcements; and
 - notices of meetings of shareholders and any accompanying documents.
- 5.2 Investors can access Challenger's Corporate Governance policies directly from Challenger's Shareholder Centre. The Corporate Governance web page is maintained by the Head of Company Secretariat, having reference to all relevant guidance, including the ASX Corporate Governance Council's Principles and Recommendations.

6. Results presentations and the AGM

- 6.1 Challenger provides live webcasts for its results presentations. An archive copy of the webcast is made available via Challenger's Shareholder Centre.
- 6.2 Once the venue details and times are confirmed for each AGM, details of the AGM are released to the ASX and published on Challenger's Shareholder Centre. All shareholders are notified of the AGM and are sent a Notice of the Annual General Meeting, as required under the Corporations Law.
- 6.3 Shareholders are able to ask questions at any time by using Challenger's existing online facilities or attending the AGM.
- 6.4 Challenger also provides online proxy voting capability for its AGMs and EGMs. Results of AGM and EGM voting are released to the ASX and posted on Challenger's Shareholder Centre.