

# Challenger Limited

## Investor Relations and Continuous Disclosure Practice Note

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Prepared by:	Investor Relations and General Counsel
Authorised by:	Group Risk Committee

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# 1. Objective

Challenger Limited and its wholly owned subsidiaries ('the Group' or 'Challenger') seeks to provide investors with timely and accurate information which is necessary to enable them to make reasoned investment decisions and ensure the market fully informed on relevant financial, strategic and business operational matters relating to Challenger.

Challenger also seeks to provide an opportunity for investors and various stakeholders to express their views on the Group and raise any matters that concern or are of interest to them. Where they do, those views are communicated to the Challenger Board in accordance with this Practice Note.

# 2. Scope

This Practice Note covers all of Challenger's legal entities, business units and support function units as well as employees and representatives who act for or on behalf of Challenger (regardless of the jurisdiction in which the person is located).

Entities and divisions that have operations in jurisdictions other than Australia must consider local rules and regulations that may require stricter practices than those set out in this Practice Note. Where local rules are more stringent than those outlined in this Practice Note, the local regulations will always prevail. If there is a direct conflict between local laws and the requirements under this Practice Note, Management must notify the Practice Note owner prior to implementing any local practices or procedures.

# 3. References

This Practice Note should be read in conjunction with the:

- Continuous Disclosure Policy;
- Staff Trading Policy;
- Inside Information Policy and Practice Note;
- Media Policy; and
- Social Media Policy.

Unless the context requires otherwise, a reference to the 'Board' in this Practice Note is a reference to the board of directors of Challenger.

# 4. Overview of Investor Relations function

The primary role of Challenger's Investor Relations function is to keep the market fully informed about Challenger's financial, strategic and business operational matters. However, as noted in section 5 of this Practice Note, only specifically authorised senior management and Investor Relations staff are permitted to engage directly with investors and analysts on behalf of Challenger.

Challenger takes a proactive approach to interacting with its investors, who are encouraged to 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.

Investors are encouraged to provide feedback to Challenger, with this feedback considered by senior management in determining how to refine and develop Challenger's Investor Relations communications strategy.

Large institutional investors are also provided with the opportunity to engage with Challenger's Chair and Challenger Board representatives.

In practice, investors regularly engage with Challenger via the Investor Relations function.

Investor feedback is provided by the Head of Investor Relations on an ongoing basis to Challenger's leadership team and provides regular reports to the Board.

Challenger's Head of Investor Relations meets with the Challenger board at least six monthly to provide an update on investor activities, and market focus areas.

## 5. Handling of confidential information

### Information disclosed at analyst and investor briefings

Challenger, as an ASX-listed entity, is required to immediately notify the 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<sup>1</sup>. It is therefore critical that Challenger does not engage in any 'selective' market disclosure. There are various protections in place in practice to ensure Challenger complies with its continuous disclosure obligations to the ASX, including the protections outlined below.

Challenger ensures there are at least two Challenger representatives at each investor/analyst meeting, with the Head of Investor Relations responsible for determining who should attend each investor meeting.

Presenters at investor events are determined by Challenger's CEO. For example:

- At results briefings the CEO and CFO present and take analyst questions.
- At Challenger's investor day this is extended to senior Challenger executives, as determined by Challenger's CEO.

Hence, in practice, only senior executives present on behalf of Challenger. If an investor requests to meet specifically with a senior executive, other than the CEO or CFO, approval by the CEO is required. Information discussed is restricted to what has already been provided and disclosed to the market.

Challenger's Investor Relations team, CEO and CFO meet with investors post results announcements and throughout the year (on request from investors or potential investors), however, information discussed is restricted to what has already been provided and disclosed to the market. A minimum of two Challenger representatives are required to be present during each investor engagement.

Presentation materials circulated at analyst and investor briefings (or in any 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 is a member)<sup>2</sup> 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<sup>3</sup> (that has not yet been disclosed to the ASX and deemed 'market sensitive') must not be answered. If, however, any such questions are inadvertently answered, and material information is disclosed, Challenger must immediately<sup>4</sup> act in accordance with its Continuous Disclosure Policy and disclose the material information to the ASX for release to the market. Furthermore, prior to the event, Challenger's General Counsel reviews the speaking notes in advance of the event.

Where material market misunderstandings have been identified, the ASX platform should be used to correct any such misunderstandings.

Briefings must not be used to correct or manage market expectations so that they are in line with Challenger's own expectations. Briefings are used only to centralise information that has already been released to the ASX.

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<sup>1</sup> Refer to Annexure C for details of the internal procedures which must be followed for announcements to the market by Challenger.

<sup>2</sup> Refer to Annexure D and the Continuous Disclosure Policy for further details on Challenger's Continuous Disclosure Committee.

<sup>3</sup> Refer to Annexure B for detailed guidance on determining if material information is market sensitive.

<sup>4</sup> For the purposes of this Practice Note, the definition of 'immediately' is consistent with ASX Listing Rules Guidance Note 8 meaning "promptly and without delay."

The Investor Relations team takes detailed briefing notes at investor and analyst meetings to ensure that no new market sensitive information has been disclosed (if new market sensitive information has been inadvertently disclosed during an investor or analyst meeting, Challenger's Continuous Disclosure Policy would require immediate notification to the ASX).

## 5.1 Access

Challenger provides broad access to analyst and investor briefings. This is achieved by the following practices:

- Live webcasts of significant Investor Relations events are made available on Challenger's website. Challenger also uses the ASX platform to ensure all investors are aware of this; and
- An archive copy of the webcast for all significant Investor Relations events is placed on the Shareholder Centre on Challenger's website.

Challenger also meets with major institutional investors and potential investors and uses this opportunity to facilitate engagement between Challenger senior executives. During each meeting, a written record is kept of all items discussed, which is entered into the Investor Relations database.

Challenger's Continuous Disclosure Policy, as well as this Practice Note, include measures to prevent new market sensitive information being disclosed at these meetings, as it must first be disclosed via the ASX platform. In addition, post event review is required to ensure any inadvertent disclosure is promptly identified and, if necessary, remedied by notification to the ASX.

## 5.2 Corporate transactions

Challenger is mindful of the need to appropriately manage confidential information in relation to 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 are managed by Challenger's Company Secretariat department. However, Investor Relations has ongoing engagement with the Company Secretariat department to ensure a proactive approach is taken to managing Challenger's Continuous Disclosure Policy, with the Company Secretariat department being kept abreast of when a halt may be required and therefore prepared to request a trading halt request with sufficient time in advance.

In the lead up to finalisation and announcement of any material corporate transactions, the Investor Relations team would also, as part of their day to day role, be on alert for any potential 'leaks' in the market. If a 'leak' is detected, it will be immediately reported to the Continuous Disclosure Committee, who will take appropriate action in accordance with Challenger's Continuous Disclosure Policy.

As part of certain corporate transactions, including equity capital raisings, it may necessary or desirable for Challenger to 'wall cross' certain investors at an appropriate time. 'Wall crossing' an investor involves confidentially sharing information regarding the relevant transaction with that investor prior to that information having been disclosed to the market. In such cases, the Investor Relations team will seek the advice of the General Counsel (or their delegate) prior to any such 'wall crossing' taking place.

## 5.3 Blackout periods

Challenger has a blackout policy that prevents engagement by the Investor Relations function (other than administrative requirements) 14 days prior to the release of half and full year financial results. Exceptions to this blackout policy need to be approved by the CEO.

There are no blackout periods ahead of Investor Days, which are usually conducted in May or June of each year and ahead of year end.

Management are prohibited from engaging with the market from 30 June / 31 December to the relevant results release date. Furthermore, there is an ability to impose 'ad hoc' blackouts in advance

of other significant unscheduled announcements. Exceptions to this blackout policy need to be approved by the Chair of the Board.

## 6. Analysts consensus

Challenger maintains a summary of sell-side analyst estimates and prepares analyst consensus based on these estimates. Certain criteria (such as nature and frequency of research papers released to the market, providing divisional analysis and financial metrics, engaging with Challenger and demonstrating a reasonable understanding of Challenger's business) is applied by the Investor Relations team to determine which sell-side analysts are included or excluded from Challenger's consensus.

Should there be a material variance in analyst expectations to internal forecasts, Challenger uses the ASX platform to correct analyst and market expectations.

Challenger may from time to time provide guidance to the market as to its expected future financial performance. Guidance is provided for one year in advance only.

It should be noted that Challenger does not provide guidance for statutory profit after tax, as statutory earnings are impacted by changes in investment markets, with the impact not being able to be reliably estimated.

Challenger does not typically provide sell-side analysts or investors with consensus information other than on the day of reporting its financial results to allow sell-side analysts to understand how their expectations compare to broader market expectations.

Should Challenger provide consensus information on the day of reporting, the following process is followed by the Investor Relations team:

- Email sell-side analysts to ascertain if they require a copy of consensus.
- For those that request a copy, the Investor Relations team will send in pdf format – information in the form set out in Annexure A to this Practice Note, including the disclaimer.

It is made clear by Challenger's Investor Relations team during this process that Challenger is providing factual data upon request and is not endorsing the consensus information or otherwise implying that the analyst projections reflected in the consensus information are correct or incorrect. If, however, Challenger considers that the consensus information is materially different to expected financial results, Challenger would use the ASX platform to correct any market misunderstanding.

## 7. Challenger's website

### 7.1 Responsibility

The Head of Investor Relations and the Head of Company Secretariat, with appropriate assistance from their respective teams, are responsible for placing on Challenger's website information about Challenger and its governance. They are also responsible for monitoring the information for accuracy and completeness. Any material changes in information will be updated promptly.

### 7.2 Shareholder Centre

Challenger's website has a dedicated Shareholder Centre, managed by Investor Relations. Information in the Shareholder Centre includes:

- Shareholder information;
- Annual reports and financial statements, including the latest results presentation material;
- ASX announcements; and
- Notices of meetings of shareholders and any accompanying documents. These materials are kept available on the website for the last five years.

ASX announcements are published by the Investor Relations team promptly after release to the ASX, with the ASX announcement added to Challenger's Shareholder Centre on the same day it is

released to the ASX. ASX announcements that are procedural in nature (e.g. Appendix 3Y) are not included on Challenger's Shareholder Centre.

Live webcasts for full year and half year financial results, and any other significant investor relations events are made available on Challenger's Shareholder Centre. Furthermore, archived copies of webcasts for all significant Investor Relations events for the past year are made available via Challenger's Shareholder Centre.

Challenger does not make available a transcript of significant investor relations events as an archived copy of the webcast is available on the Shareholder Centre.

### **7.3 Corporate governance**

Investors can access Challenger's Corporate Governance policies directly from Challenger's Shareholder Centre.

Challenger's 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. This web page is also reviewed and signed off annually by the Head of Company Secretariat to ensure all necessary governance related policies and other materials are disclosed.

## **8. Results presentations and the Annual General Meeting (AGM)**

### **8.1 Results presentations**

Challenger provides live webcasts and teleconference facilities for its results presentations. An archive copy of the webcast is made available via Challenger's Shareholder Centre.

### **8.2 AGM**

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 Act.

Challenger does not typically provide live webcasts or teleconference facilities for its AGM but the Chairman and CEO presentations and speaking notes will be lodged with the ASX immediately before the AGM.

Shareholders are able to ask questions at any time by using Challenger's existing online facilities or attending the AGM.

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.

## **9. Approval and on-going monitoring of this Practice Note**

This Practice Note will be approved by the Group Risk Committee and reviewed each year by the Head of Investor Relations.

## **10. Training and awareness**

All new permanent and contractor (including secondees) staff are required to undertake compulsory online training upon commencement of employment at Challenger. The details and the importance of adherence to Challenger's Continuous Disclosure Policy is contained in the Compliance and Regulatory Awareness module.

All Investor Relations staff are required to complete the Diploma of Investor Relations issued by the Australasian Investor Relations Association (AIRA). AIRA's Diploma of Investor Relations has a heavy focus on the ASX Listing Rules, including continuous disclosure obligations. Challenger is also a member of AIRA and uses AIRA resources on a regular basis to stay abreast of changing regulatory and market practices.

Challenger's Investor Relations team are encouraged to proactively engage with Challenger's internal Legal and Company Secretarial teams, and external legal advisers to ensure its approach to market disclosure remains consistent with market practice and complies with all relevant legal requirements.

## 11. Risk Appetite and complying with this Practice Note

Challenger's purpose is to provide Customers with financial security for a better retirement. Challenger promotes a positive culture of risk awareness and transparency, including open communication and challenge of current and emerging risks, speaking up regarding matters of concern and the proactive management of issues and incidents. Challenger has no appetite for conducting business activities unfairly or in contravention of the law, or which knowingly damage or are inconsistent with its brand and reputation. Challenger has no appetite for employees intentionally not following policies and procedures.

Employees are to comply with Challenger policies and are responsible for familiarising themselves with the policies relevant to their role. Policies are available on the intranet.

Incidents of non-compliance with this policy are to be reported in line with the Challenger Incident Management Policy.

Employees at Challenger are held accountable for their actions. Consequences for non-compliance with this Policy may include but are not limited to:

- a requirement to undertake additional training
- increased supervisions
- a verbal warning
- a written warning (including a first and final written warning)
- an impact to performance rating or promotion
- a financial consequence
- dismissal.

For further details, please refer to the Challenger Limited Conduct Risk and Consequence Management Framework.

## 12. Whistleblower provisions

Challenger has a Whistleblower Policy and encourages disclosures from employees, former employees and suppliers regarding any unethical, illegal, corrupt or other inappropriate conduct including in relation to this policy. The Whistleblower Policy is available on Connect and [www.challenger.com.au](http://www.challenger.com.au).

## 13. Contact

For further information and questions regarding this Practice Note, the Head of Investor Relations or the General Counsel should be contacted.

## Annexure A – Consensus template and disclaimer

Challenger Limited – Consensus as at [date]



Company guidance \$m		FY [Yr X]	Consensus FY [Yr X]	Consensus FY [Yr X]	Consensus FY [Yr X]
<b>Divisional EBIT</b>					
Life	no guidance		[#]	[#]	[#]
Bank	no guidance		[#]	[#]	[#]
Funds Management	no guidance		[#]	[#]	[#]
<b>Normalised divisional EBIT</b>	<b>no guidance</b>		<b>[#]</b>	<b>[#]</b>	<b>[#]</b>
Corporate costs	no guidance		[#]	[#]	[#]
<b>Normalised EBIT</b>	<b>no guidance</b>		<b>[#]</b>	<b>[#]</b>	<b>[#]</b>
Interest and borrowing costs	no guidance		[#]	[#]	[#]
<b>Normalised profit before tax</b>	<b>[\$#] to \$[#]</b>		<b>[#]</b>	<b>[#]</b>	<b>[#]</b>
Normalised tax	no guidance		[#]	[#]	[#]
<b>Normalised profit after tax</b>	<b>no guidance</b>		<b>[#]</b>	<b>[#]</b>	<b>[#]</b>
Investment experience (after tax)	no guidance		[#]	[#]	[#]
<b>Statutory net profit after tax</b>	<b>no guidance</b>		<b>[#]</b>	<b>[#]</b>	<b>[#]</b>
Dividend per shares	no guidance		[#]	[#]	[#]
Life COE \$	no guidance		[#]	[#]	[#]

### Important note

**Summary of information:** this consensus information has been prepared by Challenger Limited (**Challenger**) and is current as at [time and date]. It is made available to sell-side analysts upon request. It is based on the most current research papers and reports on Challenger released by the [#] sell-side analysts that are included in consensus. The sell-side analysts included in consensus satisfy certain criteria for inclusion, such as nature and frequency of research papers released to the market, providing divisional analysis and financial metrics, engaging with Challenger and demonstrating a reasonable understanding of Challenger's business.

The consensus has been calculated by taking the financial metrics from sell-side research reports, for those included in consensus, and calculating the simple average across all the [#] sell-side analysts' estimates with equal weighting applied. Accordingly, the composition of analysts included in the consensus information may change from time to time.

This consensus information reflects the opinions of the sell-side analysts included in consensus and is not directly or indirectly attributable to Challenger. Analysts do not have access to Challenger's internal financial information. Publication of this consensus information by Challenger should not be treated as an implied endorsement of the information.

Challenger expressly disclaims any endorsement of or concurrence with the information and makes no comment about its own forecast performance.

A significant number of variable factors impact Challenger's financial results, including accounting determinations and external factors (such as fluctuations in market values of underlying investment assets) immediately prior to the end of the financial period.

**Mark to market:** It should also be noted that Challenger's subsidiary, Challenger Life Company Limited is a registered life insurance company and under accounting standards it is required to mark its assets and liabilities to market each relevant period. As such, its financial position will include the impact of mark-to-market, which may or may not be factored into individual sell-side analyst earnings estimates for Challenger. This may therefore impact the consensus information.

**Not comprehensive:** The information is provided in summary form and should not be considered to be comprehensive or complete. Challenger has not commented on nor verified any individual sell-side analyst estimates and it does not express any opinion on nor endorse the estimates or their accuracy or reasonableness in any way. Challenger is not responsible for providing updates or revisions to this consensus information.

**Future performance:** Estimates are forward looking and are therefore subject to known and unknown risks, uncertainties and other factors, many of which are outside the control of Challenger. No representation or warranty is made as to the likelihood of achievement or reasonableness of any forward looking forecast or estimate in this document.

**Not financial product advice:** This information is being provided for information purposes only. It is not financial product, investment advice or a recommendation to acquire Challenger securities and has been prepared without taking into account the objectives, financial situation or needs of individuals.

**Disclaimer:** Challenger, its related bodies corporate and their respective directors, agents, officers and employees expressly disclaim, to the maximum extent permitted by law, all liabilities (including for negligence) in respect of, make no representations regarding, and take no responsibility for, any part of this consensus information and make no representation or warranty as to the currency, accuracy, reliability or completeness of any information or conclusions contained in this document.

**Monetary values:** Unless otherwise stated, all dollar values are in Australian dollars.

## Annexure B – Examples of types of information which could require disclosure (formerly Annexure A of the CDP)

### Examples of market sensitive information

The following are non-exhaustive examples of the type of information that, depending on the circumstances, could require disclosure by an entity:

- A transaction that will lead to a significant change in the nature and scale of Challenger's activities
- A material acquisition or disposal
- The entry into, variation or termination of a material agreement
- Becoming a plaintiff or defendant in a material law suit
- The fact that Challenger's earnings will be materially different from market expectations
- The appointment of a liquidator, administrator or receiver
- The commission of an event of default under, or other event entitling a financier to terminate, a material financing facility
- Under subscriptions or over subscriptions to an issue of securities
- Giving or receiving a notice of intention to make a takeover
- Any rating applied by a rating agency to Challenger or to Challenger Securities and any change to such a rating.

### Detailed guidance on determining if information is market sensitive (formerly Annexure B of the CDP)

#### Assessment of likely effect on value or price of securities

Information is market sensitive if 'it would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of those securities'.

ASX interprets the reference to 'persons who commonly invest in securities' as a reference to persons who commonly buy and hold securities for a period of time based on their view of the inherent value of the security. In ASX's view the information in question must be of a character that would, or would be likely to, influence persons who commonly invest in securities to make a decision to buy or sell those securities and not merely play some minor and immaterial role, in such a decision.

In forming a view as to whether information is market sensitive, materiality of the information needs to be considered from both quantitative and qualitative perspectives.

ASX has suggested that it may be helpful to consider the parameters that ASX uses for the purposes of determining whether to refer a potential breach of ASX Listing Rule 3.1 to ASIC to understand the order of magnitude of the likely change in price or value of the securities that ASX considers will trigger a disclosure obligation under Listing Rule 3.1.

ASX will generally apply the materiality guidelines in the Australian Accounting and International Financial Reporting Standards Guidance on materiality which was formerly provided by Australian accounting standard AASB1031 and AAS5 Materiality.

Thus, if the information appears to ASX to have moved the market price of Challenger's Securities (relative to prices in the market generally or in its sector) by roughly:

- 10% or more, ASX will generally regard that as confirmation that the information was market sensitive;
- 5% or less, the ASX will generally regard that as confirmation that the information was not market sensitive.

Where the price movement is between 5% and 10%, ASX will have regard to a number of factors to determine whether the information should be regarded as market sensitive. This includes the nature and significance of the information, market capitalisation, the beta of the relevant securities, the bid-offer spread at which the securities normally trade and whether there has been a spike in volume.

In assessing whether or not information is market sensitive the information needs to be looked at in context against the backdrop of:

- the circumstances affecting Challenger at the time;
- any external information that is publicly available at the time; and
- any previous information that Challenger has provided to the market (for example, in a prospectus or PDS, under its continuous or periodic disclosure obligations or by way of earnings guidance).

For example, a small drop in earnings by itself may not be considered market sensitive, however, if it results in Challenger breaching a financial covenant and committing an event of default under its banking facilities, the situation is quite different. Conversely, receipt of a formal offer from a prospective purchaser regarding a major asset at a premium price would usually be considered market sensitive, but if, at the time it receives the offer, Challenger has no intention or capacity to sell or the offer is incomplete or lacks certainty, the information may not be market sensitive.

GN 8 provides additional guidance on expectations in relation to material contracts. In particular, GN 8 highlights that wherever possible, an announcement under ASX Listing Rule 3.1 should contain sufficient detail for investors or their professional advisers to understand its ramifications and to assess its impact on the price or value of the entity's securities. In relation to disclosure of a material contract, ASX would generally expect an announcement to include information about the name of the customer, the term of the contract, the nature of the products or services to be supplied, the significance of the contract to the entity, any material conditions to be satisfied before the contract is binding, and any other material information relevant to assessing the impact of the contract on the price or value of the entity's securities.

### **Specific earnings guidance**

Where Challenger has published specific earnings guidance and it expects earnings to differ materially from that guidance ASX recommends that Challenger apply the guidance on materiality that formerly appeared in AASB 1031 with the base amount being the relevant earnings figure. It should be noted however that the ASX regards the above guideline as purely a suggestion to assist in determining if and when a published earnings guidance should be updated. The mere fact that Challenger may expect its earnings to differ from its published guidance by more (or less) than a particular percentage will not necessarily mean that its guidance is (or is not) misleading. Please refer to Annexure E for further information regarding changes to earnings guidance.

# Annexure C – Internal procedures for announcements by Challenger (formerly, Annexure C of the CDP)

## Application

These procedures have application to **all** announcements made to the ASX online announcements platform and to any other relevant securities exchange and outline internal procedures that must be followed before an announcement is released to the market.

## Rationale

It is essential that all announcements by Challenger to ASX and to any other relevant securities exchange have been vetted to ensure they are accurate, complete and not misleading and that they have received appropriate approval prior to being released. An announcement should contain sufficient detail for investors to understand its ramifications and to assess its impact on the price or value of Challenger's securities.

## Procedures

The attached schedule categorises announcements into various groupings and sets out the sign-off procedures in respect of each category of announcement.

Company Secretariat will ensure that sign-offs as required detailed on the attached schedule are completed before any release is made. Evidence of the appropriate sign-offs are to be provided to Company Secretariat in writing or by email. These will be retained with the disclosure material.

In implementing this regime, it is incumbent on all persons responsible to be aware of the tight deadlines imposed by the Corporations Act and the ASX Listing Rules for the release of information. Accordingly each sign-off is to be afforded the highest priority to ensure the entire sequence of sign-offs occurs in the shortest possible timeframe.

## ASX Queries

Where in accordance with the ASX Listing Rules, the ASX issues a formal request for information, such as a price query where there has been a significant movement in Challenger's share price or the volume of shares traded, these procedures must be followed. The ASX request will be addressed to the General Counsel who, in conjunction with the Head of Investor Relations, will prepare a draft response and circulate. Draft responses will be reviewed by the relevant business Chief Executives and their Chief Financial Officers and Group Chief Financial Officer (for Group members) where appropriate, and in all cases by the Continuous Disclosure Committee prior to release to the ASX.

Should an announcement be required as a result of the ASX request, these procedures in respect of major announcements will apply.

## Announcements Sign-off Procedures

	Announcement category	Person Responsible for drafting the announcement confirming consistent with previous announcements	Person(s) responsible for verifying accuracy of announcement	Person(s) responsible for approval of announcements	Members of Company Secretariat responsible for confirming all steps have been completed and sign offs obtained prior to release to market
1.	<p>Major Announcement - these involve release of significant strategic or commercial information outside of ordinary day-to-day operations, for example announcements:</p> <ul style="list-style-type: none"> <li>• that may have a material impact on the CGF security price;</li> <li>• relating to financial performance and material changes in financial performance or projected financial performance;</li> <li>• relating to takeovers, mergers, acquisitions and disposals, schemes of arrangement and any other transaction involving a transfer of control (in each case which is material in the context of Challenger);</li> <li>• relating to share buybacks (other than Appendix 3E notices), capital reductions and demergers and restructures;</li> <li>• relating to capital raisings;</li> <li>• relating to matters requiring shareholder approval;</li> <li>• relating to matters where directors make a recommendation to security holders.</li> </ul>	Head of Investor Relations and in the case of financial results and distribution announcements, the relevant divisional CFO or Group CFO as applicable	<p>Business division Chief Executives and their CFOs.</p> <p>All Chief Executives and their CFOs for relevant divisional information.</p> <p>Group CFO for Group matters.</p> <p>Other – relevant EGM and Group CFO.</p>	<p>Continuous Disclosure Committee</p> <p>The Continuous Disclosure Committee may determine to refer Major Announcements to the Board for approval.</p>	Company Secretary

	Announcement category	Person Responsible for drafting the announcement confirming consistent with previous announcements	Person(s) responsible for verifying accuracy of announcement	Person(s) responsible for approval of announcements	Members of Company Secretariat responsible for confirming all steps have been completed and sign offs obtained prior to release to market
2.	<p>Statutory Reporting (and Listing Rule Specific) Announcements being:</p> <ul style="list-style-type: none"> <li>Appendix 3B and Appendices pertinent to announcements in relation to capital (eg buybacks);</li> <li>Appendix 3X, 3Y and 3Z announcements in relation to Directors' interests in Challenger shares;</li> <li>Announcements concerning the convening of and results from the AGM and EGM, including any notice received under section s249D, 249F, 249N, 252B, 252D or 252L of the Corporations Act or under any equivalent overseas law or equivalent provisions in Challenger's constitution from a shareholder calling or requesting the calling of, or proposing to move a resolution at, a general meeting (Listing Rule 3.17.2)</li> </ul>	Company Secretariat	<p>Company Secretariat</p> <p>Relevant Director for Appendices 3X, Y or Z.</p> <p>EGM HR for Rem related 3B</p>	One of Group CFO or CEO	Company Secretary
3.	<p>Statutory Reporting (and Listing Rule Specific) Announcements of a financial nature such as:</p> <ul style="list-style-type: none"> <li>Periodic Reports under Chapter 4 of the Listing Rules for half and full year results announcements which are approved by the Board</li> <li>Announcements relating to the declaration of a dividend or distribution (Listing Rule 3.21)</li> <li>Announcements relating to dividend or distribution plans (Listing Rule 3.10.8)</li> </ul>	Head of Investor Relations and Group CFO or divisional CFO as relevant	Group CFO or divisional CFO as relevant for all factual content.	One of Group CFO or CEO	Company Secretary
4.	<ul style="list-style-type: none"> <li>Substantial Shareholder Notices</li> <li>Section 259C(2) Notices</li> </ul>	Company Secretariat	Company Secretariat	Company Secretariat	Company Secretary

	Announcement category	Person Responsible for drafting the announcement confirming consistent with previous announcements	Person(s) responsible for verifying accuracy of announcement	Person(s) responsible for approval of announcements	Members of Company Secretariat responsible for confirming all steps have been completed and sign offs obtained prior to release to market
	<ul style="list-style-type: none"> <li>Documents that are lodged with ASX after having first been lodged with ASIC such as ASIC Form 484s</li> <li>Appendix 3E buyback notices</li> <li>Information about beneficial ownership of securities obtained under Part 6C.2 of the Corporations Act (Listing rule 3.17.3)</li> <li>Material changes to the trading policy (Listing Rule 12.10)</li> </ul>	(based on information provided by Investment Services / Operations)			
5.	Any document given to an overseas stock exchange that is to be made public (Listing Rule 3.17A)	Company Secretariat	Group CFO or divisional CFO as relevant for all factual content	One of Group CFO or CEO	Company Secretary
6.	Changes in the Board, Group CFO or General Counsel and Company Secretary and the material terms of any employment, service or consultancy agreement entered into with the CEO, a Director or any other person (or entity) who is a related party of Challenger and any variation to such agreement (Listing Rule 3.16.4)	Head of Investor Relations and General Counsel	General Counsel EG MHR in relation to executive roles	CEO, but where the announcement relates to the CEO, the Board	Company Secretary
7.	ASX Request for Information	General Counsel with assistance from Head of Investor Relations	All Chief Executives and their CFOs for relevant divisional information.  Group CFO for Group matters.	CEO and General Counsel	Company Secretary
Responsible person noted in the above table must inform Company Secretariat of who they delegate their responsibility in their absence.					



## Annexure D – Approval process for Continuous Disclosure Committee (formerly, section 5.3 of the CDP)

### **Decision making process of the Committee**

Each member of the Committee will provide contact details so that they may, at all times to the extent reasonably practicable, be able to meet by phone or on short notice in order to deal with continuous disclosure issues immediately as they arise. Each Committee member may delegate their responsibilities under this policy to another person or persons.

In accordance with the escalation procedures for employees set out in section 5.3 of the Continuous Disclosure Policy, any information provided to a member of the Committee must be disseminated to the entire Committee as soon as reasonably practicable after receipt in order that consideration may be given to the matter in a timely manner.

Meetings may be held by any means, including electronic, by circulation of matters, telephone conference call, etc. The member of the Committee who first becomes aware of a potential disclosure issue is responsible for circulation of the details of the matter to other members of the Committee.

### **Records of decisions**

Company Secretariat will maintain a record of the matters raised and the Committee's decision. Company Secretariat will also maintain a record of matters referred to the Board and the Board's decision. Where a decision not to disclose information is made by either the Committee or the Board, Company Secretariat will retain a record of the matter.

Any other correspondence, including electronic messages, containing comments and approval or non-approval from a Committee member will be maintained by Company Secretariat as the prime record of any decision.

## Annexure E – Earnings guidance (formerly, section 5.5 of the CDP)

If Challenger becomes aware that its earnings for a reporting period will materially differ from specific earnings guidance it has given to the market, the obligation to notify the market of that fact may arise under section 1041H of the Corporations Act, as well as under ASX Listing Rule 3.1 and section 674 of the Corporations Act).

It should be noted that the basis for liability under section 1041H is different to section 674. Section 674 obliges an entity to release updated information about its earnings under Listing Rule 3.1 where a reasonable person would expect that information to have a material effect on the price or value of the entity's securities. Section 1041H on the other hand, in practical terms, obliges an entity to update its published earnings guidance where failure to do so would mislead or be likely to mislead someone. In this situation ASX recommends that entities consider updating its published earnings guidance for the current reporting period if and when it expects its earnings for the period to differ materially from that guidance. For these purposes, ASX suggests that entities apply the guidance on materiality formerly contained in Australian Accounting and International Financial Reporting Standards, that is:

- treat an expected variation in earnings compared to its published guidance equal to or greater than 10% as material and presume that its guidance needs updating; and
- treat an expected variation in earnings compared to its published guidance equal to or less than 5% as not being material and presume that its guidance therefore does not need updating,

unless, in either case, there is evidence or convincing argument to the contrary. Where the expected variation in earnings compared to its published earnings guidance is between 5% and 10%, Challenger needs to form a judgement as to whether or not it is material.

Relevantly to Challenger, in December 2020, ASX updated GN8 to clarify that where an entity has published earnings guidance as a range, rather than as a single figure, ASX will generally interpret that as a composite representation that its earnings will not be less than the lower point of the range nor greater than the higher point of the range. This means that the 5/10% guidance should be applied by reference to the lower point of the range (in the case of a negative earnings surprise) or the higher point of the range (in the case of a positive earnings surprise).

It should be noted however that the ASX regards the above guideline as purely a suggestion to assist in determining if and when a published earnings guidance should be updated. The mere fact that Challenger may expect its earnings to differ from its published guidance by more (or less) than a particular percentage will not necessarily mean that its guidance is (or is not) misleading.