

2021

# Notice of Annual General Meeting

Thursday  
28 October 2021  
9.30am  
(online only)



Providing our customers with financial  
security for a better retirement

[challenger.com.au](https://challenger.com.au)

Challenger Limited ACN 106 842 371

challenger 

## Chair's letter



### Dear Shareholder

The 2021 financial year presented significant challenges for our industry, the wider economy and community. Throughout, our business has demonstrated its resilience and we have continued to deliver on our purpose to provide customers with financial security for a better retirement.

As a result of actions taken, Challenger is now well positioned for future growth – our strategy to diversify revenue is working, we have repositioned our investment portfolio and strengthened the balance sheet. Challenger is a company with positive business momentum and is now focused on delivering its strategy, which sets a clear path forward to capture the growth opportunities created by long-term structural tailwinds.

On behalf of the Board, I would like to extend our sincere gratitude to our Managing Director and Chief Executive Officer (CEO), Richard Howes, for his commitment and strong leadership. Richard has decided to retire in March 2022 after a long career at Challenger where his significant contribution has been felt at every level helping to make Challenger the business it is today – the clear leader in retirement incomes and the third largest active Fund Manager in Australia.

### Annual General Meeting

In planning for the Annual General Meeting (AGM), we have prioritised the health and wellbeing of our shareholders, people and the wider community. With the current restrictions imposed by various state governments, our 2021 AGM will be held virtually rather than held at a physical location.

Challenger's 2021 AGM will commence at 9.30am (Sydney time) on Thursday 28 October 2021. Registrations will open online from 8.30am (Sydney time) and you can access the webcast at [web.lumiagm.com/392995787](http://web.lumiagm.com/392995787) on your smartphone, tablet or computer.

You will be able to view presentations from me and from our CEO, Richard Howes, as well as vote and ask questions during the meeting.

Please ensure you have your Challenger Shareholder Reference Number (SRN) or Holder Identification Number (HIN), which is your username and is required to log into the meeting. You will also need to use the postcode registered to your holding as your password. You won't be able to vote or ask a question during the meeting without them.

We welcome your questions, which can be submitted via the online platform during the meeting or you can submit a question online in advance via [www.investorvote.com.au](http://www.investorvote.com.au). We encourage shareholders to submit questions online in advance of the meeting, if possible. Please refer to page 2 for instructions on how to do this. We will endeavour to address the most frequently asked questions during our AGM presentation.

For further information regarding participation in our AGM, including browser requirements, please see the Challenger AGM Online Meeting Guide available on Challenger's website, [challenger.com.au/agm](http://challenger.com.au/agm). The Notice of Meeting, together with the Challenger AGM Online Meeting Guide, provides all the important information you need to know about attending our AGM.

The items of business at the AGM are outlined on page 4 and should be read together with the Explanatory Notes. This year's items of business include the usual items such as considering the financial report, approving the remuneration report and Non-Executive Director elections. This year's Non-Executive Director elections include Dr Heather Smith, who will stand for election after we welcomed her to the Board in January 2021. Dr Smith brings a wealth of experience from her time in various Australian Government roles.

At our 2020 AGM, we incurred a 'first strike' with approximately 28% of votes cast against the adoption of the 2020 remuneration report. The Board took this outcome very seriously and has taken significant action in response to shareholder concerns. A summary of our response and 2021 reward outcomes are set out in the remuneration report.

The Board has also determined not to make any further awards of long-term incentives to the CEO following his recent decision to retire in March 2022. For this reason, at this year's AGM there is no resolution to approve the granting of long-term Hurdled Performance Share Rights to the CEO.

On behalf of my fellow Directors, we thank you for your continued support in 2021 and I look forward to welcoming you to our AGM in October.

Yours sincerely



**Peter Polson**  
Independent Chair

# Notice of Annual General Meeting

The AGM of the shareholders of Challenger Limited (**Challenger** or **Company**) will be held online on Thursday 28 October 2021 at 9.30am (Sydney time)

## Registration and webcast

Registration will open from 8.30am (Sydney time) on the day of the meeting. To participate in the AGM, you can log into the meeting from your computer or mobile device, by entering the following URL in your browser: [web.lumiagm.com/392995787](http://web.lumiagm.com/392995787).

Shareholders will need the following information to participate in the AGM:

- the meeting ID for the Challenger Limited AGM, which is **392995787**;
- your username, which is your SRN/HIN; and
- your password, which is the postcode registered to your holding if you are an Australian shareholder (overseas shareholders should refer to the Challenger AGM Online Meeting Guide for their password details).

Further information regarding participating in the AGM online, including browser requirements, is detailed in the AGM Online Meeting Guide available on Challenger's website at:

› [challenger.com.au/agm](http://challenger.com.au/agm)

## Shareholder questions

If you are attending the AGM, you can submit or ask a question via the online platform during the AGM.

Shareholders can also submit questions in advance of the meeting by submitting a question at [www.investorvote.com.au](http://www.investorvote.com.au).

To be considered in advance of the meeting, written questions must be received no later than 5.00pm (Sydney time) on Thursday 21 October 2021.

## Appointed proxies

To participate in the AGM, appointed proxies will need a unique username and password.

To receive their unique username and password, proxies will need to contact Computershare Investor Services on +61 3 9415 4024 during the online registration period which will open at 8:30am, one hour before the start of the meeting.

Appointed proxies can also submit or ask a question via the online platform during the AGM using their username and password.

For further information about appointing a proxy or submitting a question

› [challenger.com.au/agm](http://challenger.com.au/agm)

## Shareholder information

### Manage your shareholding at Computershare Investor Services

Computershare Investor Services Pty Limited  
Level 3  
60 Carrington Street  
Sydney NSW 2000

Telephone:  
1800 780 782 (within Australia)  
+61 3 9415 4065 (outside Australia)

### Go electronic

Challenger can deliver all of your shareholder communications electronically; just update your details via Computershare Investor Services:

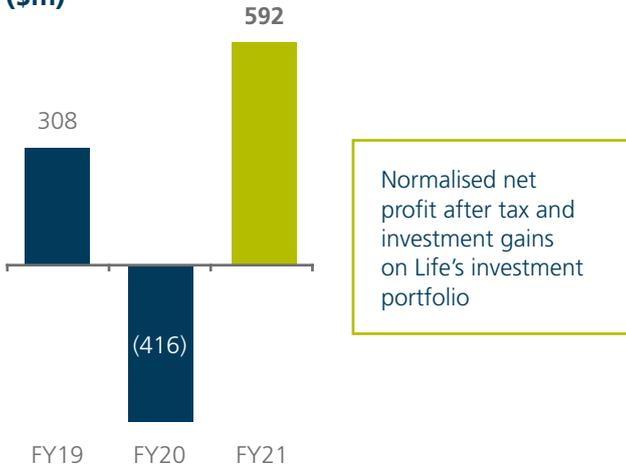
› [www.investorcentre.com/au](http://www.investorcentre.com/au)

### 2021 Reports

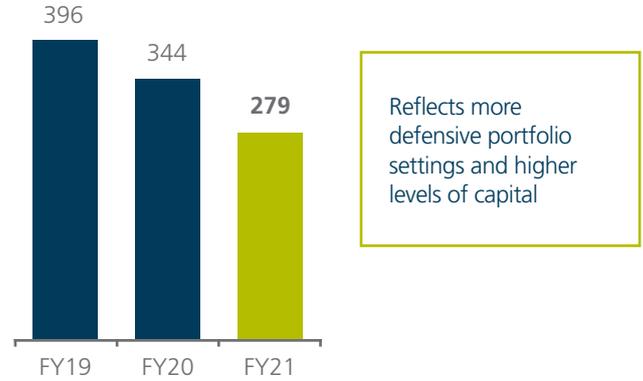


## Group performance highlights

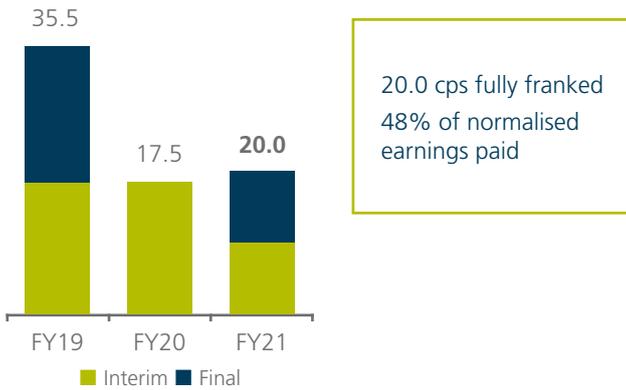
### Statutory net profit/(loss) after tax (\$m)



### Normalised net profit after tax (\$m)<sup>1</sup>



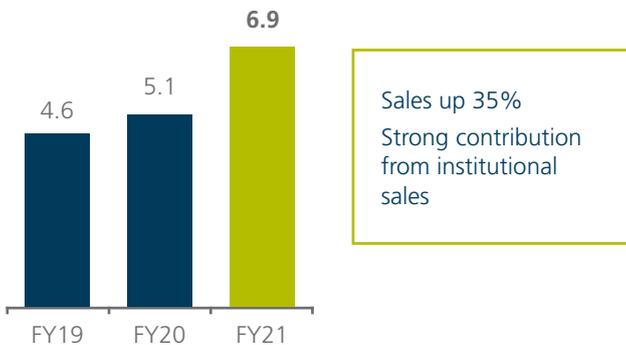
### Dividends (cps)



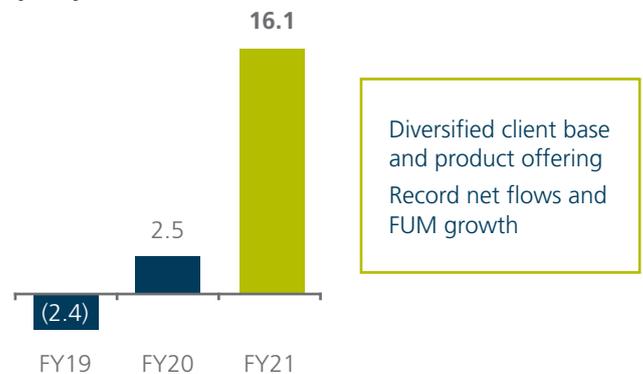
### Group assets under management (\$bn)



### Life sales (\$bn)



### Funds Management net flows (\$bn)



<sup>1</sup> The normalised profit, which is not statutory profit, is not audited but subject to a review by Challenger's auditor. Normalised profit framework and a reconciliation to statutory net profit after tax is disclosed in the 2021 Annual Report – Operating and Financial Review section.

## Business of the meeting

### Financial reports

#### Item 1

To receive and consider the Financial report, Directors' report and Independent auditor's report for Challenger and its controlled entities (Challenger Group) for the financial year ended 30 June 2021.

Note: The above reports, which are included in Challenger's 2021 Annual Report, are available at:

› [challenger.com.au/annualreport2021](https://challenger.com.au/annualreport2021)

### Re-election and election of Non-Executive Directors

#### Item 2(a)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That Mr Duncan West, who retires by rotation in accordance with clause 8.1(e) of the Constitution of Challenger, be re-elected as a Director of Challenger.

#### Item 2(b)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That Ms Melanie Willis, who retires by rotation in accordance with clause 8.1(e) of the Constitution of Challenger, be re-elected as a Director of Challenger.

#### Item 2(c)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That Mr John M. Green, who retires by rotation in accordance with clause 8.1(e) of the Constitution of Challenger, be re-elected as a Director of Challenger.

#### Item 2(d)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That Dr Heather Smith, who retires in accordance with clause 8.1(d) of the Constitution of Challenger, be elected as a Director of Challenger.

### Remuneration report

#### Item 3

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That the remuneration report for Challenger for the financial year ended 30 June 2021 be adopted.

The vote on this Item is advisory only and does not bind the Directors or the Company. A voting exclusion applies to this resolution.

### Contingent business

#### Item 4

Only if required, to consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That, subject to and conditional on at least 25% of the votes cast on Item 3 being cast against the adoption of the remuneration report:

1. an Extraordinary General Meeting of the Company (**Spill Meeting**) be held within 90 days of the passing of this resolution;
2. all of the Non-Executive Directors in office when the resolution to approve the remuneration report for the financial year 30 June 2021 was passed (being Mr Peter Polson, Mr Duncan West, Ms JoAnne Stephenson, Ms Melanie Willis, Mr John M. Green, Mr Steven Gregg, Dr Heather Smith and Mr Masahiko Kobayashi) who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and
3. resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting.

## Important voting information

### Voting exclusion statements

#### Item 3 – Remuneration report and Item 4 – Contingent business

Challenger will disregard any vote cast (in any capacity) on Item 3 or Item 4:

- by or on behalf of a member of Challenger's Key Management Personnel (KMP), the details of whose remuneration are included in the remuneration report for the year ended 30 June 2021, or their closely related parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company's KMP at the date of the meeting or their closely related parties,

unless the vote is cast as proxy for a person entitled to vote on Item 3 or Item 4:

- in accordance with a direction on the proxy form; or
- by the Chair of the meeting pursuant to an express authorisation to exercise the proxy as the Chair of the meeting decides, even though Item 3 and Item 4 are connected with the remuneration of KMP.

The Chair of the meeting intends to vote all undirected proxies **in favour** of Items 2(a), 2(b), 2(c), 2(d) and 3. The Chair of the meeting intends to vote all undirected proxies **against** Item 4, if Item 4 is put to the meeting.

Please read the information under the heading 'Undirected proxies' on page 9 of this Notice of Meeting, which (among other things) deals with the exercise of voting for proxies by the Chair of the meeting on all resolutions.

### Questions on voting exclusions

If shareholders have questions regarding the voting exclusions, they should contact the Company's Share Registrar, Computershare, on 1800 780 782 (within Australia) or +61 3 9415 4065 (outside Australia).

By order of the Board.



**Linda Matthews**  
Company Secretary

27 September 2021

## Explanatory Notes

These Explanatory Notes form part of the Notice of Meeting.

### Item 1 – Financial Reports

The Financial report, Directors' report and Independent auditor's report (reports) for Challenger and its controlled entities for the financial year ended 30 June 2021 will be laid before the meeting in accordance with the requirements of the *Corporations Act 2001* (Cth) (Corporations Act).

Challenger's 2021 Annual Report (which includes the Reports) is available at:

› [challenger.com.au/annualreport2021](https://challenger.com.au/annualreport2021)

Neither the Corporations Act nor the Company's Constitution requires a vote of shareholder on the Reports. However, shareholders will be provided with the opportunity to ask questions about and make comments on the Reports and the management of Challenger generally, but there will be no formal resolution put to the meeting in relation to Item 1 of the agenda.

### Items 2(a), 2(b), 2(c) and 2(d) – Re-election and election of Non-Executive Directors

#### Background

In accordance with Challenger's Constitution, no Director who is not the Managing Director may hold office without re-election beyond the third AGM following the meeting at which the Director was last elected or re-elected. In addition, a Director appointed by the Board to fill a casual vacancy will hold office until the conclusion of the next AGM following his or her appointment. Such Directors are eligible to stand for re-election or election (as applicable).

Mr West, Ms Willis and Mr Green are Non-Executive Directors of Challenger and will retire as Directors at the 2021 AGM in accordance with the Constitution. Each of Mr West, Ms Willis and Mr Green will stand for re-election at the meeting.

In addition, Dr Smith, who has joined the Board as a Non-Executive Director since the 2020 AGM, must retire as Director at the 2021 AGM and stand for election in accordance with the Constitution.

Each candidate standing for re-election or election has confirmed that they will have sufficient time to properly fulfil their Director duties for Challenger.

Under Challenger's independence policy, an Independent Director is independent of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of the Director's judgement. In accordance with Challenger's independence policy, the Board has determined (with Mr West, Ms Willis, Mr Green and Dr Smith, respectively, abstaining) that Mr West, Ms Willis, Mr Green and Dr Smith are Independent Non-Executive Directors.

Further information about each of the Directors standing for re-election or election is listed on the following pages.

**Item 2(a)****Mr Duncan West**

**Independent Non-Executive  
Director since 10 September 2018**

**Experience/qualifications**

Mr West has over 30 years' experience in financial services in the UK and Australia. He previously held a series of senior executive positions, including as Chief Executive Officer of Vero Insurance and CGU Insurance, and as Executive General Manager of Insurance at MLC.

He holds a Bachelor of Science in Economics (University of Hull, United Kingdom) and he is a Fellow of the Chartered Insurance Institute, a member of the Australian Institute of Company Directors and a Senior Associate of the Australian and New Zealand Institute of Insurance and Finance.

**Special responsibilities**

- Chair of the Group Audit Committee
- Member of the Group Risk Committee
- Member of the Nomination Committee

The Board (excluding Mr West) has reviewed Mr West's performance and believes that his skills, experience and expertise are a valuable addition to the Board. In particular, Mr West's extensive global financial services experience enhances the Board's ability to oversee Challenger's performance and governance.

**Directorships of other listed companies**

Mr West is a non-executive director of Genworth Mortgage Insurance Australia Limited (appointed on 1 September 2018). Mr West is seeking election as a director of Suncorp Group Limited at its Annual General Meeting on 23 September 2021.

**Recommendation**

The Board (with Mr West abstaining) supports the re-election of Mr West and unanimously recommends that shareholders vote in favour of the re-election of Mr West as a Non-Executive Director.

**Item 2(b)****Ms Melanie Willis**

**Independent Non-Executive  
Director since 6 December 2017**

**Experience/qualifications**

Ms Willis has significant senior executive experience in corporate finance, strategy and innovation and funds management. Ms Willis previously held the position of Chief Executive Officer of NRMA Investments and senior executive roles at Deutsche Bank and Bankers Trust. She is also a non-executive director of PayPal Australia and QBE Australia Pacific Limited.

She holds a Bachelor of Economics (University of Western Australia), Master of Law, Tax (University of Melbourne) and is a Fellow of the Australian Institute of Company Directors.

**Special responsibilities**

- Chair of the Group Risk Committee
- Member of the Group Audit Committee
- Member of the Nomination Committee

The Board (excluding Ms Willis) has reviewed Ms Willis' performance and believes that her skills, experience and expertise are a valuable addition to the Board. In particular, Ms Willis' significant corporate finance, strategy and innovation and funds management experience enhances the Board's ability to oversee Challenger's performance and governance.

**Directorships of other listed companies**

Ms Willis is a non-executive director of Southern Cross Media Group Limited (appointed 26 May 2016) and Property Exchange Australia Ltd (appointed 11 June 2021).

**Recommendation**

The Board (with Ms Willis abstaining) supports the re-election of Ms Willis and unanimously recommends that shareholders vote in favour of the re-election of Ms Willis as a Non-Executive Director.

## Item 2(c)

### Mr John M. Green

Independent Non-Executive  
Director since 6 December 2017



#### Experience/qualifications

Mr Green was previously an executive director at Macquarie Group and has also been a partner at two major law firms. He is Deputy Chair of QBE Insurance Group Limited, director of Cyber Security Cooperative Research Centre and also a novelist and co-founder of Pantera Press.

He holds a Bachelor of Law and Bachelor of Jurisprudence (University of New South Wales) and he is a Fellow of the Australian Institute of Company Directors and Life Member and Senior Fellow of FINSIA.

#### Special responsibilities

- Member of the Group Risk Committee
- Member of the Group Audit Committee
- Member of the Group Remuneration Committee
- Member of the Nomination Committee

The Board (excluding Mr Green) has reviewed Mr Green's performance and believes that his skills, experience and expertise are a valuable addition to the Board. In particular, Mr Green's extensive legal and financial services experience enhances the Board's ability to oversee Challenger's performance and governance.

#### Directorships of other listed companies

Mr Green is a non-executive director of QBE Insurance Group Limited (appointed 1 March 2010 and appointed Deputy Chair on 1 January 2015).

#### Recommendation

The Board (with Mr Green abstaining) supports the re-election of Mr Green and unanimously recommends that shareholders vote in favour of the re-election of Mr Green as a Non-Executive Director.

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## Item 2(d)

### Dr Heather Smith

Independent Non-Executive  
Director since 20 January 2021



#### Experience/qualifications

Dr Smith has over 20 years experience in Government, including as Secretary of the Australian departments of Industry, Innovation and Science, and Communications and the Arts, and as Deputy Secretary of the departments of Prime Minister and Cabinet and Foreign Affairs and Trade. She is a Professor at ANU National Security College, deputy chair of the United States Studies Centre and a recipient of the Public Service Medal.

She holds a Bachelor of Economics (Hons 1) (University of Queensland), PhD in Economics (Australian National University), and has completed the Advanced Management Program (Harvard Business School, Boston, United States).

Appropriate background checks were conducted before Dr Smith was appointed to the Board.

#### Special responsibilities

- Member of the Group Risk Committee
- Member of the Group Audit Committee
- Member of the Nomination Committee

The Board (excluding Dr Smith) has reviewed Dr Smith's performance and believes that her skills, experience and expertise are a valuable addition to the Board. In particular, Dr Smith's significant government experience enhances the Board's ability to oversee Challenger's performance and governance.

#### Directorships of other listed companies

Nil.

#### Recommendation

The Board (with Dr Smith abstaining) supports the election of Dr Smith and unanimously recommends that shareholders vote in favour of the election of Dr Smith as a Non-Executive Director.

### Item 3 – Remuneration report

Challenger's remuneration report is set out on pages 28 to 51 inclusive of the 2021 Annual Report, which is available at:

› [challenger.com.au/annualreport2021](https://challenger.com.au/annualreport2021)

The remuneration report sets out Challenger's remuneration policy and frameworks together with the reward outcomes for the year ending 30 June 2021 for Key Management Personnel (KMP), comprising Executive Directors, Non-Executive Directors and specified Challenger executives.

In accordance with the Corporations Act, the vote on the adoption of the remuneration report is advisory only and does not bind the Directors or the Company. However, the Board takes the outcome of the vote and discussion at the AGM into account in setting remuneration policy and making reward decisions for future years.

A reasonable opportunity will be provided at the meeting to discuss and raise questions in relation to the remuneration report.

#### Impact of first strike against the 2020 remuneration report

At the 2020 AGM, Challenger incurred a 'first strike' with 28% of votes cast against the adoption of the 2020 remuneration report. A detailed summary of the response to shareholder concerns and key reward outcomes for 2021 is set out on pages 30 to 32 of the remuneration report. The significant action taken by the Board focused on three key aspects:

- working closely with shareholders to ensure their concerns were well understood;
- reviewing the executive reward framework to ensure it remained 'fit for purpose' in the current environment; and
- ensuring 2021 reward decisions appropriately reflected performance and were communicated clearly.

If Challenger receives a 'second strike' against the 2021 remuneration report, a conditional resolution will be put to shareholders which, if passed, will result in a Spill Meeting being held within 90 days of the 2021 AGM where all Non-Executive Directors must vacate office and may stand for re-election. The conditional resolution is included under 'Item 4 – Contingent Business' with further information set out in the Explanatory Notes to item 4.

#### Remuneration arrangements for the Chief Executive Officer

On 10 August 2021, Challenger announced that Mr Richard Howes will retire as Managing Director & CEO in March 2022. Following his decision to retire, the Board has determined not to make any further awards of long-term incentives to Mr Howes. For this reason, there is no resolution to approve the granting of Hurdled Performance Share Rights to the CEO at this year's AGM.

### Recommendation

The remuneration report forms part of the Directors' report, which has been approved in accordance with a unanimous resolution of the Challenger Board. The Board recommends that shareholders vote in favour of the adoption of the remuneration report.

### Item 4 – Contingent business

This resolution is a 'conditional' resolution. It will only be put to the vote if at least 25% of the votes cast on Item 3 are against the resolution to adopt the remuneration report, that is, if the Company receives a 'second strike'.

If this resolution is passed and becomes effective, then it will be necessary for the Board to convene a Spill Meeting within 90 days of the date of the 2021 AGM in order to consider the composition of the Board. If a Spill Meeting is required, the date of the meeting will be notified to shareholders in due course. If a Spill Meeting is held, the following Directors will automatically vacate office at the conclusion of the Spill Meeting unless they are willing to stand for re-election and are re-elected at that meeting: Peter Polson, John M. Green, Steven Gregg, Heather Smith, JoAnne Stephenson, Duncan West, Melanie Willis and Masahiko Kobayashi.

Even if Mr West, Ms Willis, Mr Green and Dr Smith are elected or re-elected at the 2021 AGM, they will still need to be re-elected at the Spill Meeting to remain in office following the Spill Meeting.

The Board considers the following factors to be relevant to a shareholder's decision on how to vote on Item 4:

- each of the Non-Executive Directors listed above (except for Dr Smith who is standing for election for the first time) has previously been elected as a Director with the strong support of shareholders;
- convening a Spill Meeting would cause significant disruption, uncertainty and cost to the Company, which the Board does not consider would be in the best interests of the Company or its shareholders; and
- the Board has played a key role in overseeing the Company's strategy to deliver significant future earnings growth and sustainable returns for the shareholders.

### Recommendation

The Board recommends that the shareholders vote against Item 4 if it is put to the 2021 AGM.

## Additional information for shareholders

### Appointing a proxy

A shareholder that is entitled to attend and vote at a meeting of shareholders may appoint a proxy to attend and vote for that shareholder at the meeting. A proxy need not be a shareholder of Challenger and can be either an individual or a body corporate. Appointed proxies will need to contact Computershare Investor Services to obtain a username and password to vote online.

Even if you plan to participate in the meeting, we encourage you to submit a directed proxy vote so that your vote will be counted if for any reason you cannot vote on the day.

If a shareholder is entitled to cast two or more votes at the meeting, they may appoint two proxies and may specify the proportion of voting rights each proxy may exercise on a poll. If no proportions are specified, each proxy may exercise half the available votes (disregarding fractions) on a poll. If a shareholder appoints two proxies, neither is entitled to vote on a show of hands if more than one proxy attends the meeting.

For an appointment of a proxy to be effective for the meeting, Challenger must receive the proxy appointment by no later than 9.30am (Sydney time) on 26 October 2021. If a proxy form is signed under power of attorney on behalf of a shareholder, then Challenger must receive the original power of attorney or a certified copy of it by the same time.

You may direct your proxy to vote for a resolution, against a resolution or abstain from voting on a resolution. Any abstained votes will not be counted in computing the required majority on a poll. In the absence of such a direction, the proxy is authorised to vote or abstain from voting on any resolution at their discretion, subject to applicable voting restrictions.

You may lodge your proxy appointment with Computershare by doing one of the following:

- lodging it online at Computershare's website [www.investorvote.com.au](http://www.investorvote.com.au) as instructed on the website (you will have been taken to have signed your proxy form if you have lodged it in accordance with the instructions given on the website); or
- faxing it to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or
- posting it by using the reply paid envelope to:  
Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001; or
- delivering it to:  
Computershare Investor Services Pty Limited  
Level 3, 60 Carrington Street  
Sydney NSW 2000; or
- custodian voting – for Intermediary Online subscribers only (custodians), please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

Appointing a proxy does not mean you cannot attend the meeting. However, under the Challenger Constitution, if you appoint a proxy but still attend the AGM and vote on any resolution, the proxy is not entitled to vote.

### Proxy participation in AGM

To participate in the AGM, appointed proxies will need a unique username and password.

To receive their unique username and password, proxies will need to contact Computershare Investor Services on +61 3 9415 4024 during the online registration period which will open at 8:30am, one hour before the start of the meeting.

Appointed proxies can also submit a question via the online platform during the AGM using their username and password.

### Chair's deemed appointment as proxy

There are some circumstances where the Chair of the meeting will be taken to have been appointed as a shareholder's proxy for the purposes of voting on a particular resolution even if the shareholder has appointed a different person as their proxy. This will be the case where your named proxy does not attend the meeting, or attends the meeting but does not vote in accordance with your directions on a poll on an item.

### Undirected proxies

Members of the Company's KMP (which includes each of the Directors) and their closely related parties other than the Chair of the meeting will not be able to vote as proxy on Items 3 or 4 unless you direct them how to vote. If you intend to appoint any of those persons as your proxy, you should ensure that you direct that person how to vote on Items 3 and 4.

If you appoint the Chair of the meeting as your proxy (including if the Chair of the meeting becomes your proxy by default) and you do not specify how the proxy is to vote, you expressly authorise the Chair of the meeting to vote as he sees fit, even though, in the case of Items 3 and 4, the resolution is connected with the remuneration of members of the KMP, which includes the Chair of the meeting.

The Chair of the meeting intends to vote all undirected proxies **in favour** of Items 2(a), 2(b), 2(c), 2(d) and 3. The Chair of the meeting intends to vote all undirected proxies **against** Item 4, if Item 4 is put to the meeting.

### Corporate shareholders

Corporate shareholders wishing to appoint a representative to attend and vote at the meeting on their behalf must provide that person with:

- an appropriately executed letter or certificate authorising the person to act as the company's representative in accordance with Challenger's Constitution; or

- a copy of the resolution appointing the representative, certified by a company secretary or director of the company.

A representative may be authorised for a single meeting or all meetings of Challenger, and an authorisation for more than one meeting must be stated on the authorising instrument. The representative must ensure that the Company has received evidence of his/her appointment, including any authority under which it has been signed, in advance of the meeting, unless it has previously been given to the Company.

## Eligibility to attend and vote

In accordance with the Corporations Regulations 2001 (Cth) and the ASX Settlement Operating Rules, the Challenger Board has determined that, for the purposes of the meeting, those shareholders registered as holding shares at 7.00pm (Sydney time) on Tuesday 26 October 2021 will be entitled to attend and vote at the meeting. Share transfers registered after that time will be disregarded in determining a shareholder's entitlement to attend or take into account their voting rights at the meeting.

## Questions and comments by shareholders

The AGM is an important opportunity for shareholders to interact with the Directors and provides an opportunity to hear from the Chair and the CEO, consider and vote on resolutions and ask questions of the Board and auditor.

A reasonable opportunity will be given to shareholders to ask questions or make comments about Challenger's management, the Reports (including the remuneration report) and other agenda items at the meeting. The Chair will seek to address as many of the more frequently raised topics as possible; however, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to shareholders.

Similarly, a reasonable opportunity will be given to shareholders to ask Challenger's auditor, Ernst & Young, questions about:

- the conduct of the audit;
- the preparation and content of the Independent auditor's report;
- the accounting policies adopted by Challenger in relation to the preparation of the financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

Shareholders may also provide written questions to the auditor concerning the content of the Independent auditor's report or the conduct of the audit of Challenger's financial report for the financial year ended 30 June 2021 in advance of the meeting. If you are attending the AGM, you can submit or ask a question via the online platform during the meeting.

Shareholders can also submit questions in advance of the meeting when voting online prior to the meeting at [www.investorvote.com.au](http://www.investorvote.com.au).

To be considered in advance of the meeting, the written questions must be received no later than 5.00pm (Sydney time) on Thursday 21 October 2021.

## Ask a question online

Shareholders can submit or ask questions in relation to the business of the meeting, and vote on the resolutions in real time during the meeting via the online platform.

Shareholders participating in the meeting using the online platform will be able to vote between the commencement of the meeting and the closure of voting as announced by the Chair during the meeting.

By participating in the meeting online, you will be able to:

- hear presenters and view meeting slides;
- submit and ask questions at the appropriate time while the meeting is in progress; and
- vote during the meeting.

Instructions on how to log on to ask questions during the meeting are detailed in the AGM Online Meeting Guide available on Challenger's website at:

› [challenger.com.au/agm](http://challenger.com.au/agm)

Please note that only shareholders and appointed proxies may ask questions online and only once they have been verified. It may not be possible to respond to all questions raised during the meeting. Shareholders are therefore encouraged to lodge questions prior to the AGM, as outlined on page 2 of this Notice of Meeting.

## Webcast

The webcast will be recorded and made available to view after the meeting on Challenger's website at:

› [challenger.com.au/agm](http://challenger.com.au/agm)

## All resolutions will be by poll

The Chair intends to call a poll on each of the resolutions set out in this Notice of Meeting.

## Technical difficulties

Technical difficulties may arise during the course of the AGM. The Chair has discretion as to whether and how the meeting should proceed in the event that a technical difficulty arises. In exercising his discretion, the Chair will have regard to the number of shareholders impacted and the extent to which participation in the business of the meeting is affected.

Where he considers it appropriate, the Chair may continue to hold the meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, shareholders are encouraged to lodge a proxy by 9.30am (Sydney time) on Tuesday 26 October 2021 in case they cannot vote on the day for any reason.

## Additional information

### Principal place of business and registered office in Australia

Level 2  
5 Martin Place  
Sydney NSW 2000

Telephone: 02 9994 7000  
Facsimile: 02 9994 7777

› [challenger.com.au](https://challenger.com.au)

### Contact us

Investor Services  
13 35 66

Adviser Services  
1800 621 009

Share Registrar  
1800 780 782

### Company Secretary

Linda Matthews

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Unless otherwise specified, all amounts are in Australian dollars.

The information, including all amounts, in this Notice of Meeting is current as at 30 June 2021, and unless stated otherwise, any comparison is based on the prior corresponding period.

This Notice of Meeting is not financial product advice, investment advice or a recommendation to acquire Challenger's securities, and has been prepared without taking into account your objectives, financial situation or needs. This document is not, and should not be considered as, an offer or an invitation to acquire securities in Challenger or any other financial products.