



Corporate Governance Statement

2026

Life. Well lived.



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Annual General Meeting

Date	Time
29 October 2026	9.30am (Sydney time)

Full details of the meeting will be included in the Notice of Annual General Meeting, which will be sent to shareholders in September 2026.

Reporting suite

About this statement

This 2026 Corporate Governance Statement is also available at:

challenger.com.au/corporategovernance2026

Annual Report

Challenger’s Annual Report incorporates the Operating and Financial Review, Directors’ Report, Financial Statements, Sustainability Report and Sustainability Supplement. The report provides our stakeholders with a holistic overview of Challenger’s governance and performance for the period from 1 July 2025 to 30 June 2026.

The 2026 Annual Report is available at:

challenger.com.au/shareholder

Annual Review

The 2026 Annual Review provides useful information about Challenger and its financial performance in an easy-to-read format. The Annual Review includes a performance update, a report from the Independent Chair and the Chief Executive Officer, and information on Challenger’s approach to environmental, social and governance (ESG) matters.

The 2026 Annual Review is available at:

challenger.com.au/annualreview2026

Challenger's approach to corporate governance

Challenger Limited (Challenger) is committed to implementing and maintaining a robust corporate governance system.

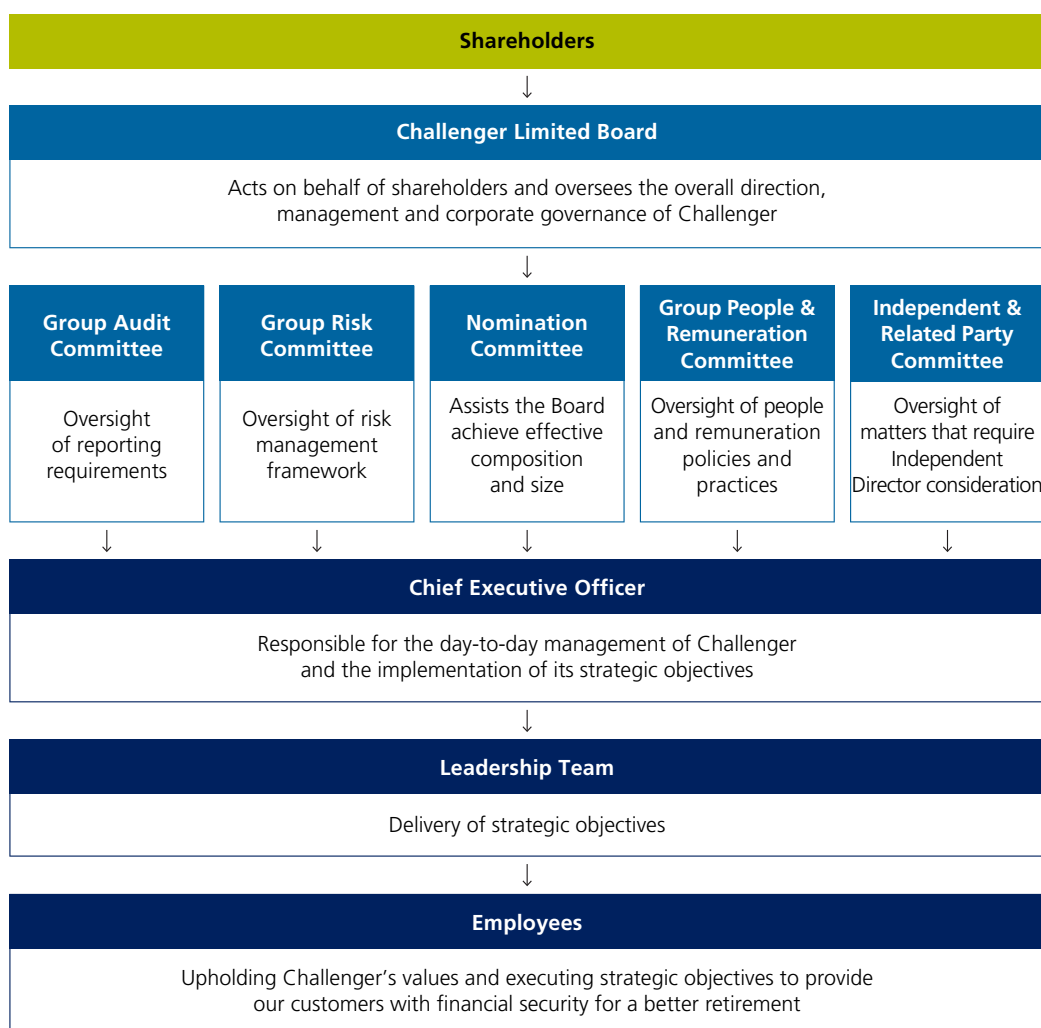
Challenger believes that corporate governance adds value to its business and enhances stakeholder confidence.

The Board of Directors (Board) determines the most appropriate corporate governance practices for Challenger and its controlled entities (Group), taking into consideration Australian and international standards and the requirements of regulators such as the Australian Prudential Regulation Authority (APRA) and the Australian Securities and Investments Commission (ASIC).

This Corporate Governance Statement reports against the Corporate Governance Principles and Recommendations (4th edition) published by the Australian Securities Exchange's (ASX) Corporate Governance Council in 2019 (Principles).

Challenger's Corporate Governance Statement has been approved by the Board and is current as at 17 August 2026. The Corporate Governance Statement and Key Disclosures (Appendix 4G) have been lodged with the ASX.

Our guide to corporate governance



Corporate Governance Principles and Recommendations

Principle 1 – Lay solid foundations for management and oversight

The role of the Board and delegations

The Board is accountable to shareholders for Challenger's performance and long-term success. In fulfilling its responsibilities, the Board oversees the creation of sustainable shareholder value within an appropriate risk management framework, while having regard to stakeholder interests and broader community expectations.

The Board is responsible for setting Challenger's strategic direction, approving its corporate strategy and key strategic priorities, and monitoring management's execution against those priorities. Challenger's purpose is to provide our customers with financial security for a better retirement. Consistent with this long-term purpose, the Board regularly reviews strategy and performance through annual strategy sessions, ongoing discussions with the Leadership Team, and regular Board reporting and meetings.

The Board also oversees Challenger's governance framework and promotes a culture of accountability, ethical conduct and prudent risk management. Through these arrangements, the Board seeks to ensure that effective governance supports decision-making across the business.

The Board's role and responsibilities are set out in the Board Charter, which is available at:

 challenger.com.au/about-us/corporate-governance

The Board's responsibilities include:

- approving Challenger's business plans, budgets and key financial policies;
- considering and approving significant strategic initiatives and transactions;
- establishing and overseeing the integrity of Challenger's financial reporting, accounting policies and financial controls;

- overseeing executive remuneration frameworks to ensure they support Challenger's strategy, culture, risk management framework and long-term shareholder interests;
- overseeing Challenger's corporate governance framework and governance practices;
- overseeing the effectiveness of Challenger's risk management framework, including key risk management policies and processes;
- determining and adopting Challenger's dividend policy;
- reviewing Board composition, succession planning and performance;
- appointing, evaluating and determining the remuneration of the CEO, and approving the appointment of the Chief Financial Officer (CFO), Chief Risk Officer (CRO), General Counsel and Company Secretary; and
- determining the authority delegated to the CEO.

The Board has established committees to assist it in discharging its responsibilities and to provide focused oversight of specific areas. The Board committees are discussed under Principle 2.

Management responsibility

The Board has delegated to the CEO the authority necessary to implement the strategy approved by the Board and to manage Challenger's day-to-day operations within the policies, risk appetite and delegated authority limits approved by the Board from time to time. The CEO may delegate authority to members of management but remains accountable to the Board for the exercise of all delegated authorities.

Nominations and appointment of new Directors

The Board has established a Nomination Committee comprised of a majority of Independent Non-Executive Directors, which must have at least three members and be chaired by an Independent Non-Executive Director. The Nomination Committee currently comprises all members of the Board, other than the CEO, and is chaired by the Chair of the Board, who is an Independent Non-Executive Director.

Appropriate checks are undertaken before recommending a person for election as a Director and being appointed. These include checks as to the person's character, fitness and propriety, experience, education, criminal record and bankruptcy history. Similar checks are also undertaken for newly appointed senior executives.

The Nomination Committee conducts periodic assessments of the Board's capabilities to assist in determining the appropriate composition of the Board and to consider the desirable breadth and range of skills required when selecting new Board members.

The Nomination Committee, where appropriate, engages specialist external consultants to assist with identifying and selecting a diverse range of candidates who meet the Nomination Committee's desired capabilities. The Nomination Committee also considers other factors, including independence, commercial capability, cultural fit, suitability as an accountable person under the *Financial Accountability Regime Act 2023* (Cth), and time availability to meet the commitment required.

The Nomination Committee assesses potential new Directors using these capabilities and factors and makes recommendations to the Board for consideration and approval.

A copy of the Nomination Committee Charter is available at:

 challenger.com.au/about-us/corporate-governance

If a new Director is appointed during the year, that person must stand for election by shareholders at the next Annual General Meeting (AGM). Shareholders are provided with all material information known to Challenger that is relevant to a decision about whether or not to elect a Director.

On behalf of Challenger, the Chair provides a letter to each new Director setting out the terms of their appointment, including their roles and responsibilities. All current Directors have received a letter confirming the terms of their appointment.

Retirement and re-election of Directors

Challenger's Constitution and Board Charter require that, excluding the Managing Director, one director must retire each year.

Any Director who is appointed during the year must stand for election at the next AGM. In addition, any Director who has been in office for three or more AGMs must retire and stand for re-election at the third AGM.

Succession planning

In conjunction with the Nomination Committee and the Group People and Remuneration Committee, the Board considers the succession of its members, the CEO, CFO, CRO and General Counsel. The Group People and Remuneration Committee considers the succession of the Leadership Team.

The Board continues to review its composition, having regard to the knowledge, skills and experience of each Director, and is committed to maintaining a strong mix of experience and industry knowledge across the Board.

Review of Board performance

The Board seeks to ensure that it is operating effectively and undertakes a formal review of its performance, individual Directors and Board committees at least annually.

Regular reviews of the Board's performance are conducted by the Chair with all Board members, and this involves consideration of the effectiveness of the Board and its committees, having regard to the attributes, knowledge, skills and experience of each Director.

The Board last conducted an external review in November 2023 (with the next external review to be conducted in the first half of FY27), with the results incorporated into the Board's operations and processes.

Company Secretary

The Company Secretary is accountable directly to the Board, through the Chair, on matters to do with the proper functioning of the Board.



Diversity

The Board is committed to promoting a diverse and inclusive culture at Challenger. This commitment is reflected in a range of policies and practices, and these are assessed using measurable targets, including a target of at least 40% female representation at Board level, with the female representation at 37.5% as at 30 June 2026.

Challenger's approach to diversity and inclusion is set out in our Diversity, Equity and Inclusion Policy, which is available at:

challenger.com.au/about-us/corporate-governance

Challenger has a diversity and inclusion strategy, which focuses on three key areas:

- diverse and inclusive culture;
- gender equality through equitable practices; and
- beyond gender.

To drive continued focus and implementation, Challenger has established a Diversity & Inclusion Committee, which is chaired by the CEO and sponsored by the Chair of the Board.

The Diversity & Inclusion Committee's objectives include designing, implementing and maintaining programs and initiatives to help achieve measurable objectives set by the Board each year. The effectiveness of the Group's diversity programs and initiatives and the Group's progress towards achieving those objectives are reviewed regularly by management and at least annually by the Group People and Remuneration Committee. The objectives and progress for the year ended 30 June 2026 are set out in the 2026 Annual Report, which is available at:

challenger.com.au/shareholder

Challenger's most recent annual report to the Workplace Gender Equality Agency (WGEA), which reports on the 'Gender Equality Indicators' under the *Workplace Gender Equality Act 2012* (Cth), is available at:

challenger.com.au/about-us/sustainability

Challenger maintains its citation as WGEA Employer of Choice, following its initial recognition in 2018.

Challenger's 2024/25 median total remuneration pay gap was 16.4%, in line with the industry comparison of 16.4%. Although there was an increase to the gender pay gap over the past 12 months, the gap is in line with the industry comparison across most metrics, with the exception of average total remuneration. The increase to our gender pay gap is driven by the timing of long-term incentive awards being reported for the first time and organisational structure changes for the reporting period.

Challenger continues to take steps to improve gender representation at all levels across our workforce. Further details of Challenger's most recent Gender Pay Gap Employer Statement is available at:

challenger.com.au/about-us/careers

Executive performance assessment

Challenger has written employment agreements with each senior executive, and the performance of senior executives is reviewed at least annually against agreed performance objectives and measures, consistent with Challenger's performance management framework which applies to all Challenger employees.

Detailed information about these performance measures and outcomes is included in the Remuneration Report in Challenger's 2026 Annual Report, which is available at:

challenger.com.au/shareholder

All employees at Challenger are also assessed at least annually against Challenger's values (refer to Principle 3).

The Group People and Remuneration Committee (GPRemCo) is responsible for reviewing the performance of the CEO at least annually and making remuneration recommendations to the Board. In addition, the GPRemCo recommends the CEO's performance objectives to the Board. The Group Risk Committee is also responsible for reviewing the performance of the Chief Risk Officer at least annually.

The CEO and GPRemCo reviews the performance of the CEO's direct reports (Leadership Team) at least annually. In addition, the GPRemCo make recommendations in respect of remuneration and performance objectives for the Leadership Team to the Board.

Performance evaluations for the CEO and Leadership Team have been undertaken in respect of the 2026 financial year in accordance with the above process.

Principle 2 – Structure the Board to be effective and add value

Membership of the Board

The Board has a majority of Independent Non-Executive Directors, and an Independent Chair who is appointed by the Board. The roles of Chair and CEO are not held by the same person.

A list of Board members during the year ended 30 June 2026 is set out below. Details of Board members, including their skills, experience and tenure, are set out in the Directors' Report in the 2026 Annual Report, which is available at:

challenger.com.au/shareholder

The Board is committed to ensuring that it has an effective composition, size and commitment to discharge its responsibilities and duties.

The Board considers that its members collectively possess an appropriate balance of skills, experience and expertise to:

- exercise independent judgement;
- understand and respond to current and emerging issues relevant to Challenger's business and operating environment;
- support Challenger's long-term performance and strategic objectives; and
- effectively oversee, review and challenge management.

The Board assesses its collective skills and capabilities annually to ensure it maintains an appropriate mix of skills, experience and expertise to discharge its responsibilities effectively. The results of the most recent assessment are reflected in the Board skills matrix on page 8.

The Board skills matrix demonstrates that the Board maintains a high level of capability across the areas of expertise considered most relevant to Challenger's business, strategy and operating environment.

The Board notes that the 2026 skills matrix reflects a reduction in the number of directors self-assessing at the Expert level in Industry Experience. This outcome was anticipated as part of the Board's renewal process, through which the Board sought to broaden its collective capability by appointing directors with deep expertise in areas including leadership, customer focus and digital capability. The Board considers that these appointments have enhanced the overall breadth and diversity of skills and experience available to support Challenger's strategy and long-term success.

Director induction and education

All new Challenger Directors are provided with an induction program detailing Challenger's business, with a focus on the Group's financial, strategic, operational and risk management position and processes.

Challenger supports and encourages continuous education. Ongoing Director education is provided through regular management presentations on key Challenger business functions and activities.

Regulatory developments are summarised and brought to the attention of the Board on a regular basis by the General Counsel and the CRO. Directors can access external education and professional development training, and are provided additional education sessions on topical issues presented by experts in relevant fields.

Ernst & Young (EY), the Group's external auditor, and KPMG, the Group's internal auditor, as well as other industry experts, regularly present to Directors on matters relevant to the Group's business and its operating environment.

Conflicts of interest

In accordance with the Board Charter and the Corporations Act, any Director with a material personal interest in a matter being considered by the Board must declare such an interest and may only be present when the matter is being considered at the Board's discretion. Directors with a material interest may not vote on any matter in which they have declared a personal interest.

In addition, the Board has an Independent and Related Party Committee (IRPCo), whose members are all Independent Non-Executive Directors, to consider transactions with shareholders who have a nominee director, the valuation of the Company and matters where the IRPCo determines that independent consideration is required.

Board members during FY26

Name	Position	Independent	Appointed
Duncan West	Chair	Yes	2018
Nick Hamilton	Managing Director & CEO	No	2022
Lisa Gray	Non-Executive Director	Yes	2023
John M Green	Non-Executive Director	Yes	2017
Masahiko Kobayashi ¹	Non-Executive Director	No	2019
Heather Smith	Non-Executive Director	Yes	2021
John Somerville	Non-Executive Director	Yes	2025
David Whittle	Non-Executive Director	Yes	2025
Melanie Willis	Non-Executive Director	Yes	2017

1. Mr Kobayashi, a representative of MS&AD Insurance Group Holdings Inc (MS&AD), resigned on 20 August 2025.

Board skills matrix

LEADERSHIP

Leadership, effective communication and influencing skills and experience in business transformation.

● 87.5% Expert ● 12.5% Capable

PEOPLE AND CULTURE

Experience in building capable and highly engaged teams, managing effective workplace culture, building workforce capability and understanding remuneration structures.

● 87.5% Expert ● 12.5% Advanced

TECHNOLOGY

Understanding of IT strategy, the application of technology in large organisations, data management, IT and digital innovation, AI and cyber risks.

● 12.5% Expert ● 87.5% Advanced

CUSTOMER

Experience in developing and delivering customer strategies including understanding customer needs, delivering customer outcomes, overseeing a strong customer-focused culture and delivering enhanced customer experiences.

● 50% Expert ● 37.5% Advanced ● 12.5% Capable

STRATEGY

Strategic thinking capability and transactional expertise.

● 87.5% Expert ● 12.5% Advanced

RISK, LEGAL AND GOVERNANCE

Financial services and fiduciary legal and regulatory awareness, experience in identifying, assessing and monitoring existing and emerging risks, and understanding the frameworks underpinning effective corporate governance practices.

● 87.5% Expert ● 12.5% Advanced

STAKEHOLDERS

Experience in understanding key stakeholders needs, relevant regulatory developments and shareholder engagement.

● 50% Expert ● 50% Advanced

INDUSTRY EXPERIENCE

Experience in life insurance, funds management or financial sector, and management of complex investment portfolios.

● 12.5% Expert ● 50% Advanced ● 37.5% Capable

FINANCE AND ACCOUNTING

Financial reporting literacy including exposure to Accounting Standards and capital management.

● 50% Expert ● 50% Advanced

SUSTAINABILITY

Understanding community expectations, relevant regulatory developments and disclosure requirements on sustainability issues.

● 25% Expert ● 62.5% Advanced ● 12.5% Capable

Note: With 8 directors on the Board, each person represents 12.5% of the overall percentage.

Director independence

The Board's approach to Director independence is set out in its Board Charter, which states that an Independent Non-Executive Director should be 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 their judgement.

The Board has undertaken a review of all Directors in the 2026 financial year, taking into account relevant factors including tenure, and has determined that each Non-Executive Director remains independent. The Board noted the expertise, judgement, industry knowledge and understanding of Challenger's business brought by each Director.

The Board regularly considers and assesses the independence of each Director in light of the interests and information that Directors disclose in accordance with the *Corporations Act 2001* (Cth) (Corporations Act).

In assessing independence, the Board has regard to whether the Director has any of the following relationships with Challenger or any Group company:

1. is, represents or has been within the last three years an officer or employee of, or professional adviser to, a substantial shareholder of Challenger;
2. receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, Challenger;

3. is employed, or has previously been employed, in an executive capacity by Challenger or any of the other members of the Group, and there has not been a period of at least three years between ceasing such employment and serving on the Board;
4. is, or has been within the last three years, in a material business relationship (e.g. as a supplier, professional adviser, consultant or customer of Challenger or the Group), or an officer of or otherwise associated with a material supplier, professional adviser, consultant or customer;
5. has close personal ties with any person who falls within any of the categories described in points 1 to 4 above; or
6. has been a Director of Challenger for such a period that his or her independence from management and substantial shareholders may have been compromised.

The Board will state its reasons if it considers a Director to be independent, notwithstanding the existence of a relationship of the kind referred to in points 1 to 6 above.

Determination of materiality in assessing independence

The materiality of a relationship is assessed on a case-by-case basis having regard to each Director's individual circumstances.

Meetings of the Board

The Board meets formally approximately seven times a year. Details of Directors' meetings are set out in the table below.

In addition, the Board may meet to resolve specific matters needing attention between scheduled meetings.

The CEO, in consultation with the Chair, establishes the meeting agendas to ensure adequate coverage of strategic, financial and material risk matters throughout the year. Senior executives regularly present at Board meetings and can be contacted by Directors between scheduled Board meetings.

Board access to information and advice

All Directors have access to the necessary records and information to fulfil their responsibilities. The Company Secretary and General Counsel provide Directors with guidance on corporate governance issues and developments, and on other matters reasonably requested by the Directors.

The Board, or each Director, has the right to seek independent professional advice to assist them in discharging their duties. Challenger will meet the cost of the advice provided the Chair's prior approval, where appropriate, is obtained.

Board committees

To assist in the discharge of its responsibilities, the Board has established the following standing committees:

- Group Risk Committee;
- Group Audit Committee;
- Group People and Remuneration Committee;
- Nomination Committee; and
- Independent and Related Party Committee.

Each committee operates under a Board-approved charter, copies of which are available at:

challenger.com.au/about-us/corporate-governance

The charters set out the composition, responsibilities, authority, meeting procedures, reporting obligations and available resources of each committee, together with the process for periodic review of the charter. Details of Directors' committee memberships and attendance at meetings held during the period from 1 July 2025 to 30 June 2026 are set out in the table below.

Directors' meetings

DIRECTOR	BOARD		GROUP RISK COMMITTEE		GROUP AUDIT COMMITTEE		GROUP PEOPLE & REMUNERATION COMMITTEE		NOMINATION COMMITTEE		INDEPENDENT & RELATED PARTY COMMITTEE ²	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
D West	10	10	4	4	4	4	5	5	4	4		
N Hamilton	10	10										
L Gray	10	10	4	4	4	4			4	4		
J M Green	10	9	4	4	4	4	5	4	4	4		
M Kobayashi ¹	2	2							1	1		
H Smith	10	8	4	4	4	4	5	5	4	3		
J Somerville	10	10	4	4	4	4			4	4		
D Whittle	10	9	4	4	4	4			4	4		
M Willis	10	10	4	4	4	4	5	5	4	4		

1. Mr Kobayashi resigned as a Non-Executive Director on 20 August 2025.

2. The Independent & Related Party Committee did not meet during the period 1 July 2025 to 30 June 2026.

Principle 3 – Instil a culture of acting lawfully, ethically and responsibly

The Board and Challenger's commitment to ethical and responsible decision-making is reflected in the internal policies and procedures, underpinned by Challenger's values. The values set out the employee behaviour needed to meet community expectations and to support Challenger to deliver on its corporate strategy and strategic priorities. Challenger's values are:

- Act with integrity – we do things the right way;
- Aim high – we deliver outstanding results;
- Collaborate – we work together to achieve shared goals; and
- Think customer – we make decisions with our customers front of mind.

Code of Conduct

Challenger's Code of Conduct, adopted by the Board, applies to all Directors, executives, employees, consultants and contractors of Challenger and the Group. It articulates the standards of honest, ethical and law-abiding behaviour expected by Challenger.

Employees are actively encouraged to bring any issues or concerns to the attention of management or the Board, including activities or behaviour that may not comply with the Code of Conduct, other Group policies and procedures, regulatory requirements or laws. They can also do this anonymously using Challenger's whistleblower reporting process. A copy of the Code of Conduct is available at:

challenger.com.au/about-us/corporate-governance

Consequence management procedures exist for breaches of the Code of Conduct and supporting policies. Material breaches of the Code of Conduct are reported to the Group Risk Committee (GRC) and the Group People and Remuneration Committee. Non-compliance with the Code of Conduct and supporting policies may result in disciplinary action, including impacts to reward or ultimately termination of employment.

Whistleblower Policy

Challenger is committed to an open culture in which concerns and issues about wrongdoing are disclosed in a supportive environment.

The Challenger Whistleblower Policy outlines the framework and sets out avenues for disclosures to be made on an anonymous basis. Material incidents are included in the reports to the Board and GRC.

A copy of Challenger's Whistleblower Policy is available at:

challenger.com.au/about-us/corporate-governance

Fraud and Corruption Policy

Challenger is committed to the highest level of integrity and ethical standards in the way it conducts business.

Challenger has a Fraud and Corruption Policy, which is available at:

challenger.com.au/about-us/corporate-governance

The policy applies to all Challenger Directors and employees, and the consultants, officers, agents and contractors of Challenger and the Group.

Employees are encouraged to report suspected fraudulent or corrupt activities.

Incidents and breaches pertaining to bribery and corruption are part of the reporting to the Board and GRC.



Political Donations Policy

The Board has adopted a policy of not making political donations in any country or jurisdiction in which it operates. The policy prohibits Challenger from making donations, or contributing funds, to any political party, parliamentarian, elected official or candidate for political office, and prohibits Challenger employees, executives and Directors from attending events, in their official capacity, where funds are raised for these purposes.

Challenger seeks to actively participate in effective policy development and will submit views to governments and other political stakeholders on matters that affect Challenger, its customers, shareholders and the wider community.

Director and Employee Trading Policy

The Board has approved a trading policy which prescribes the manner in which Directors and employees can trade in Challenger's securities and third-party securities.

Pre-trade approval is required for all trading in Challenger securities.

Directors and employees are prohibited from trading in Challenger securities or third-party securities at any time while in possession of non-public price-sensitive information. In addition, Directors and employees are prohibited from trading in Challenger securities at certain times prior to the release of Challenger's half year and full year financial results to the ASX. Other prohibited periods may also be imposed in accordance with the trading policy.

Challenger's trading policy prohibits any employees from hedging any unvested performance rights which they received as part of their remuneration.

Challenger's trading policy also prohibits Directors and employees from taking margin loans over Challenger shares.

Sustainability

Challenger has a clear sustainability strategy that supports its business strategy.

Challenger's 2026 Sustainability Report contains its mandatory climate-related financial disclosures prepared in accordance with Australian Accounting Standards Board S2 for the period covering 1 July 2025 to 30 June 2026. Challenger's broader approach to Environmental, Social and Governance is detailed in the Sustainability Supplement within the Annual Report.

The 2026 Sustainability Report and Sustainability Supplement are available at:

challenger.com.au/about-us/sustainability

Human rights

Challenger has a Human Rights Statement, which outlines the guiding principles on the way it approaches human rights considerations throughout its operations. A copy of Challenger's Human Rights Statement is available at:

challenger.com.au/about-us/sustainability

Challenger also publishes its annual Modern Slavery Statement in accordance with the requirements of the *Modern Slavery Act 2018* (Cth). Challenger continually monitors and assesses modern slavery risks across its operations, investments and supply chain. The most recent Statement is available at:

challenger.com.au/about-us/sustainability



Principle 4 – Safeguard the integrity of corporate reports

Integrity of corporate reports

The Board has the responsibility to ensure the truthful and factual presentation of Challenger's financial position. The Board has established the Group Audit Committee (GAC) to assist the Board to focus on issues relevant to the integrity of Challenger and the Group's financial reporting. In accordance with its Charter, the GAC comprises a majority of Independent Non-Executive Directors and must have at least three members. The GAC must be chaired by an Independent Non-Executive Director, who is not Chair of the Board.

Details of the qualifications and experience of the members of the GAC are described in the Directors' Report in the 2026 Annual Report, which is available at:

challenger.com.au/shareholder

The GAC typically meets four times a year, and additional meetings are scheduled as required.

The members of the GAC and attendance at meetings are set out in the table on page 9.

The GAC is responsible for reviewing the half year and annual financial reports, and all other financial information prepared for Challenger's financial statements with management, advisers and auditors to ensure the reports and information provide a true and fair view of Challenger's financial position and performance.

The GAC makes recommendations to the Board in relation to the appointment, review and removal of the external auditor, assessment of the external auditor's independence and the appropriateness of non-audit services that the external auditor may provide. A copy of the GAC Charter is available at:

challenger.com.au/about-us/corporate-governance

Declaration by the CEO and CFO

In respect of the financial report for the year ended 30 June 2026, the Board has received a written declaration from the CEO and the CFO that:

- in their opinion, the Group's financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group;
- the consolidated entity disclosure statement is true and correct; and
- the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Independent external audit

Challenger requires its independent external auditor to:

- provide stakeholders with assurance as to whether the Group's financial reports are true and fair; and
- ensure that Group accounting policies comply with applicable accounting standards and guidance.

Challenger's independent external auditor is Ernst & Young (EY). EY was first appointed in November 2003, and this appointment was ratified by shareholders at the AGM in November 2004. A competitive tender process was conducted in 2014, resulting in the re-appointment of EY.

The external auditor attends Challenger's AGMs and is available to answer shareholder questions relating to the external audit.

Verification of non-audited periodic corporate reports

Where periodic corporate reports are not audited or reviewed by external auditors (such as this Corporate Governance Statement or the Sustainability Supplement), a thorough internal review and validation process is undertaken to ensure accuracy of the reports. Working groups (comprising relevant internal stakeholders and other external subject matter experts) are established to review and verify material statements of facts and opinions in the periodic corporate reports. Before it approves the corporate reports, the Board receives confirmation from management that the reports are true and accurate.

Principle 5 – Make timely and balanced disclosure

Challenger is committed to ensuring that all investors have equal and timely access to material information about Challenger and that its announcements are factual and presented in a clear and objective manner.

The Board has approved and implemented a Continuous Disclosure Policy. A copy of the policy is available at:

 challenger.com.au/about-us/corporate-governance

The policy is designed to ensure compliance with the continuous disclosure requirements under the Corporations Act and the ASX Listing Rules.

Challenger has established a Continuous Disclosure Committee, comprised of members of management, which is responsible for:

- ensuring that full consideration is given to the appropriateness, quality and adequacy of the information that is released to the market;
- making decisions on what should be disclosed publicly under the Continuous Disclosure Policy; and
- ensuring that disclosure is made promptly and without delay.

The Board receives a copy of all material ASX announcements by Challenger, and the Continuous Disclosure Committee may, where appropriate, refer major disclosure decisions to the Board for its approval.

All market-sensitive announcements made by Challenger are lodged with the ASX and made publicly available via the ASX market announcements platform before being discussed with, or disseminated to, stakeholders. All shareholder and analyst presentations given by Challenger that contain new material information are lodged with the ASX ahead of the presentation.



Principle 6 – Respect the rights of security holders

Maintaining relationships with shareholders and noteholders

Challenger recognises the importance of enhancing its relationships with shareholders and noteholders by:

- communicating effectively;
- providing ready access to clear and balanced information about Challenger; and
- encouraging participation at AGMs.

Challenger's Investor Relations and Continuous Disclosure Practice Note details its approach to facilitating effective two-way communication and is available at:

 challenger.com.au/about-us/corporate-governance

Online and electronic communication with Challenger is encouraged

As set out in Principle 5, it is Challenger's policy to announce to the market material information about Challenger in a timely, clear, balanced and objective manner.

Following release to the ASX, Challenger publishes half-yearly and annual reports, major announcements and other relevant information, including corporate governance information, on its website.

Half and full year financial results, Investor Days and the AGM are held in person but are also webcast, enabling greater shareholder participation. Challenger also encourages shareholders to receive reports, communications, announcements and payments electronically.

Shareholders are encouraged to, and do, regularly communicate electronically with Challenger's registry, Computershare Investor Services, on all matters relating to their holdings.

Challenger also provides a facility to ask questions about its business via its website, which are answered directly. Interested parties can register via the website to receive updates regarding material Challenger market announcements.

Annual General Meeting

Challenger believes that AGMs provide an important opportunity for shareholders to engage with the Board and management of their company.

A formal notice and AGM documents are sent to shareholders at least 28 days in advance of the meeting. The AGM documents include explanatory notes that clearly explain the nature of the AGM business and the resolutions to be put to shareholders.

The 2026 AGM will be held as a 'hybrid' meeting, which will enable shareholders to attend either physically or virtually. Challenger's Board believes this method is the best way to engage with the broadest range of shareholders. Shareholders who are unable to attend the AGM, either in person or virtually via their electronic device, are encouraged to appoint a proxy in advance of the meeting.

All resolutions being considered at Challenger's AGMs are decided by a poll rather than a show of hands. The AGM voting result is lodged with the ASX as soon as practicable after the AGM and published on the Challenger website.



Principle 7 – Recognise and manage risk

Risk management and compliance

The management of risk is fundamental to the Group's business, supporting better outcomes for our customers and building shareholder value. At Challenger, risk is everybody's business.

The Board's Risk Appetite Statement outlines the level of risk that is acceptable in striving to achieve the Group's strategic goals and financial objectives. This is combined with an effective risk management framework, which monitors, mitigates and manages the risks to which the Group is exposed.

The Board recognises the broad range of risks the Group faces as a participant in the financial services industry, including financial risk; strategic risk; operational risk; technology risk; people, conduct and culture risk; and regulatory and compliance risk. The Board also maintains a focus on contemporary and emerging risks and monitoring key risks to Group strategy.

The Leadership Team is accountable for managing the risks within their divisions and is required to manage risk as part of business objectives, with risk management integrated across business processes. There are clear accountabilities for risk management for all Challenger employees and these are measured through Challenger's annual performance review process.

Oversight, analysis, monitoring and reporting of these risks is conducted by the Executive Risk Management Committee, which is chaired by the CRO. The CRO is independent of the business units and accountable to the CEO, the Board and its committees.

An integral part of risk management for the Group is the maintenance of a strong risk culture among its employees. Challenger has defined a target risk culture within its Risk Appetite Statement, with metrics that are regularly monitored and reported to the Board. The Group's expectations of its employees are encapsulated in the Challenger values.

The Board has established the Group Risk Committee (GRC), which is comprised of a majority of Independent Non-Executive Directors and must have at least three members. The GRC must be chaired by an Independent Non-Executive Director, who is not the Chair of the Board.

The GRC meets a minimum of four times a year, and additional meetings are scheduled as required. The members' names and details of attendance at meetings are set out on page 9.

On a day-to-day basis, the Risk division, which is separate from the operating segments of the business, has responsibility for monitoring the implementation of the risk management framework, including the monitoring, reporting and analysis of the various risks faced by the business, and providing effective challenge to activities and decisions that may materially affect Challenger's risk profile.

Internal processes have been put in place to confirm that material transactions undertaken by the Group are in line with the Board's risk appetite.

The GRC reports to the Board on the effectiveness of the risk framework and internal controls. Challenger undertakes a detailed review of the Group's risk management strategy on an annual basis, including for the financial year ended 30 June 2026, to satisfy the GRC and the Board that it continues to be sound.

While Challenger's risk management framework remains robust and continues to operate efficiently, Challenger seeks continual improvements to enhance the framework.

A summary of Challenger's risk management framework and a copy of the GRC Charter can be found at:

challenger.com.au/about-us/corporate-governance

Internal audit

Internal audit services for the Group were provided by KPMG during the financial year ended 30 June 2026. The Group Audit Committee (GAC), together with the GRC, oversees the scope of internal audit and monitors the progress of the internal audit work program, which must include (at least annually) an evaluation of compliance with and effectiveness of the Group's risk management framework.

The GAC and GRC receive reports from internal audit at each meeting and monitor management's responsiveness to internal audit findings and recommendations.

The internal audit function is independent of the external auditor and reports directly to the GAC and GRC.

In November 2024, the Board established an Internal Audit Charter, in accordance with The Institute of Internal Auditors' Global Internal Audit Standards, to ensure best practice is followed in Challenger's internal audit practices.

Material exposure to environmental or social risks

There are a number of material business risks, including environmental or social risks, that could adversely affect the Group and the achievement of the Group's financial performance objectives. Those risks and how those risks are managed by the Group are outlined in the 2026 Sustainability Report and Sustainability Supplement within the Annual Report, which is available at:

challenger.com.au/shareholder

Challenger considers climate-related risks and opportunities in its investment decision-making and ownership practices and in the management of environmental impacts arising from its direct operations. Challenger's approach to assessing and managing those climate-related risks and opportunities is outlined in its 2026 Sustainability Report within the Annual Report, available at:

challenger.com.au/shareholder

Principle 8 – Remunerate fairly and responsibly

Group People and Remuneration Committee

The Board has established the Group People and Remuneration Committee (GPRemCo), which is comprised of a majority of Independent Non-Executive Directors and must have at least three members. The GPRemCo must be chaired by an Independent Non-Executive Director, who is not the Chair of the Board.

Details of the qualifications and experience of the members of the GPRemCo are described in the Directors' Report contained in the 2026 Annual Report, which is available at:

challenger.com.au/shareholder

The GPRemCo usually meets at least five times during the year, and additional meetings are scheduled as required. A copy of the GPRemCo Charter can be found at:

challenger.com.au/about-us/corporate-governance

The members' names and details of attendance at meetings are set out on page 9.

The GPRemCo is responsible for reviewing and making recommendations to the Board on the following remuneration matters:

- Challenger's remuneration, recruitment, retention and termination policies and procedures for senior executives;
- senior executives' remuneration and incentives;
- superannuation arrangements;
- the remuneration framework, including the reimbursement of expenses for Directors;
- whether there is any gender or other inappropriate bias in remuneration for directors, senior executives or other employees;
- the performance of the CEO, at least annually, including setting with the CEO goals for the coming year and reviewing progress in achieving those goals;
- the design of any incentive plan; and
- the design of any equity-based plan, including any performance hurdles.

Remuneration

Setting and overseeing remuneration policies and practices is a key responsibility of the Board. The policies and practices are aligned with the Group's vision, Challenger's values and overall business objectives, and take into account Challenger's long-term financial soundness and risk management framework.

The remuneration details for Key Management Personnel and Non-Executive Directors are included in the Remuneration Report, which is located in the 2026 Annual Report, available at:

challenger.com.au/shareholder

Non-Executive Directors are not entitled to participate in Challenger incentive plans.

There are no termination payments to Non-Executive Directors on their retirement from office other than payments accruing from superannuation contributions comprising part of their remuneration.



