

Challenger Limited 2023 AGM report

ASX code	CGF
Meeting date	26 October 2023
Type of meeting	Hybrid
Monitor	Elizabeth Fish
Pre AGM-meeting	Chair Duncan West, JoAnne Stephenson Chair of the Group Remuneration Committee, Mark Chen GM Investor Relations

Meeting Statistics

Number of holdings represented by ASA	119
Number of shares represented by ASA	862,061
Value of shares represented by ASA	\$5.017m
Total number attending meeting	47 in the room and 74 online
Market capitalisation	\$4.007B
ASA open proxies voted	ASA voted in favour of all the resolutions

The Chairman's and CEO's addresses to the meeting are at Challenger Limited/ Shareholder Information/market announcements. There is also a recording of the meeting.

The Chairman opened the meeting by providing a summary of the company's 2023 financial performance, which he considered to very strong and was within the top half of forecast. He went on to speak about growth of life sales which he thought to be particularly pleasing as there were record annuity sales, and growth across retail sales.

He went on to discuss the proposed LTI non-financial measure incentive, culture, saying he thought company culture was critical to the long-term success of the company. In particular, for Challenger where the company's best assets were highly skilled, collaborative and innovative people.

The CEO spoke about executing the company's growth strategy and opportunities.

ASA asked: With regard to future plans for expanding products and broadening customer reach can you give the meeting more details on this strategy. The chairman responded saying, in terms of expansion a good example of where we want to go is our existing agreement with Telstra Super for retirement income and the Aware Super purchase of a de-risking product from Challenger. Telstra Super will provide an annuity which Challenger will underwrite. We reinsure Japanese annuities with MSP. The company will be broadening its reach through the direct space, the advisor space and through institutions.

A shareholder asked: will the individual retiree (of Telstra and Aware super funds) notice any difference due to Challenger's product. The Chairman responded saying Aware Super members will not notice any difference. Telstra Super has built a number of retirement strategies for its members and will offer advice to members on which are most appropriate to include a lifetime income stream, which Challenger will underwrite.

Ms Willis was standing for re-election for a second term and as she is Chair of the Risk Committee, ASA asked Ms Willis what is the risk that keeps you awake at night: Ms Willis responded saying; There had been a number of risks and cyber security was a primary concern but at the heart of Challenger is Investing and financial practices. As we sell more annuities, we are very clear where we are investing that money and ensuring we are getting diversified returns on our investments, and have the right capital base. We offload interest and FX risk as they are areas we do not want to be involved in.

ASA asked if Challenger has a policy on investing in nonrenewable assets. The Chairman responded saying Challenger has a Responsible Investing Policy that evaluates ESG considerations for each investment decision we take and that policy is applied right through the organisation. Challenger is a signatory to the UN Principals of Responsible Investing and has been since 2015.

A shareholder asked: With regard to cyber security what lessons have you taken from the events of the past year at other organisations? Ms. Willis responded saying; cyber security is a constantly evolving environment and the Board knows we cannot be complacent. There is a need to continually strengthen our systems, understand our risk. We have been focused on data management, especially regarding which personal information we need to keep. She also spoke about meeting with representatives from Medibank and Optus to learn from their data breaches.

The Voting Results are as follows:

No.	Resolution description	% voted in favour
2(a)	Re-election of Duncan West as Non-Executive Director	98.69
2(b)	Re-election of Melanie Willis as Non-Executive Director	99.04
3	Remuneration Report	95.81
4	Grant of long-term hurdled performance rights to the Chief Executive Officer	95.86
5	Renewal of Proportional take-over provisions	99.80
6	Refresh the Company's 15% placement capacity under the ASX's listing rules	99.60

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