

Snappy heading relevant to the company and its AGM

Company/ASX Code	Challenger Group Limited (ASX: CGF)
AGM time and date	9.30am on Thursday, 30 October 2025
Location	Wesley Conference Centre, 220 Pitt Street, Sydney 2000
Registry	Computershare Investor Services Pty Ltd
Type of meeting	Physical
Monitor	Elizabeth Fish, assistant monitor Nick Bury
Pre-AGM Meeting	Yes, with Duncan West (Chairman), Melanie Wills (Group People and Remuneration Committee Chair), Janet Lee (Head of performance & rewards) and Mark Chen (General Manager Investor Relations)

Monitor Shareholding: The individuals involved in the preparation of this voting intention have shareholdings in this company.

1. How we intend to vote

No.	Resolution description	
2	Remuneration Report	For
3	Grant of long-term hurdled performance rights HPSRS to the Chief Executive Officer.	For
4a	Election of John Somerville as NED	For
4b	Election of David Whittle as NED	For

2. Summary of Issues and Voting Intentions for AGM/EGM

There were no significant issues to be addressed.

3. Matters Considered

Accounts and reports

Financial performance

Challenger's current market cap is about \$6.09billion. Notably, its share price has not appreciated during the past decade, and there are no apparent indicators offering shareholders the prospect of relief in this regard. Its dividends have improved during the past 2 years, but then shareholders have likewise seen their dividends and company's profitability fluctuate up and down previously over the subject period.

The company's staple business is providing retirement income to annuitants, so it must retain reserves, to meet related reserves, in order to meet related arising contingencies and obviate risk as much as possible to enable it to pay its ongoing obligations. Its annual

report states that it has grown its funds under management by a multiple of nearly 6 times over the past 15 years, and its NPAT did increase by 41% over the past 12 months, but nonetheless long-term shareholders have received dismal results on their invested capital. Assumedly, the solution to the company's woes is to try to grow in size and profitability, and it will be asked about its plan to remediate its long-term poor performance at its forthcoming AGM.

Statutory after-tax ROE of 5% has increased over the previous year by 1.7%. and Statutory profit at \$192.3m increased over the previous year by 41% (FY24 was a pretty dismal year). At the same time the share price has improved during the past 2 years, slightly, from \$7.09 to \$7.89. Funds Under Management have decreased by \$4.6m over the year. It is very disappointing that the 5-year financial history table has not been included this year's Annual Report, as it was in previous years. The following table shows relevant statistics:

(As at FYE)	2025	2024	2023	2022	2021
NPAT (\$m)	192.3	129.9	287.5	253.7	592.53
UPAT (\$m)	455.5	416.6	364.0	321.5	278.5
Share price (\$)	7.89	7.01	6.48	6.84	5.41
Dividend (cents)	29.5	26.5	24.0	23.0	20.00
Simple TSR (%)	4.43%	12.3%	(1.75%)	27%	(8%)
EPS (cents)	28.0	19.0	42.1	37.5	88.2
CEO total remuneration, actual (\$m)	4.87	2.63	2.1	2.2	2.5

Simple TSR is calculated by dividing (change in share price plus dividend paid during the year, excluding franking, by the share price at the start of the year.

Governance and Culture

The most recent board skill matrix is shown on page 21 of the Annual Report.

Key events

No significant events took place in the last year.

Key Board or Senior Management Changes

Joanne Stephenson will step down from the Board at the end of June 2025. Mr Micheleni retired as non-executive Director from 9 December 2024. John Somerville and David Whittle have joined the Board and will stand for election at the 2025 AGM. There were no senior management changes.

Sustainability/ESG

The company aims to strengthen ESG strategy through governance and remuneration. The Annual Report, pages 30-43 outline the Boards Risk Appetite Statement in an extensive and detailed report, covering areas of risk management, sustainability, responsible investment, sustainability strategy and governance and includes detailed metrics and targets.

Rationale for Voting Intentions

Resolution 2 Adoption of Remuneration Report Resolution (for)

The short-term incentive (STI) structure is based on a balanced scorecard outcome. The CEO's scorecard and outcome are shown on page 72 of the AR. We note that 50% of the measures are financial, 15% risk and sustainability, 10% relate to people, culture, 10% relates to strategic partnerships and 15% relate to customer satisfaction. Three of the financial measures use normalised figures, which exclude unrealised investment losses, rather than statutory.

The difference between the two measures is \$263.2m in FY25, \$286.6m in FY24 and \$192.6m in FY23, with the normalised profit figure greater in all years, in total \$742.4m over the last three years. Further, the final 50% of measures do not offer quantifiable performance metrics to support the award decisions. There is no information on how the other 4 key management personnel (KMPs) are assessed, apart from the % of target achieved; ranging between 84% to 100% and of maximum (stretch) achieved, ranging between 56% and 80% (p72). The CEO's fixed pay increased from 1/9/2024 to \$1,125,000pa. an increase of 4.7%.

The Short-term Incentive (STI): Presently, 50% of awarded STI is paid as cash with the remaining 50% paid as equity, delivered as restrictive shares (DPSRs), with 30% vesting at the end of years 1 and 2, and 20% at the end of years 3 and 4, subject to continuous service. The number of restricted shares awarded is based on the VWAP methodology used for HPSRs. From 2024 onwards STI restricted shares will vest over a two-year period, with 50% vesting at the end of each year.

From 2019, the long-term equity-based incentive plan, (hurdled performance rights or HPSRs) uses a 5-day VWAP methodology to calculate the number of performance rights allocated.

The Long-Term Incentive (LTI) has two hurdles, the first is absolute TSR compounded annually, set at target of 10% p.a. over 4 years, is 75% of the award. The second hurdle introduced in FY24, culture, comprising 25% of the LTI award value. The absolute TSR hurdle vests at > the 7% pa hurdle with 100% awarded when TSR =10%. HPSRs granted do not vest until the 4th anniversary of the grant and if unvested will be subject to retesting on the 5th anniversary, although with a higher hurdle applied in year five. Unvested awards lapse after 5 years. Some details of the culture performance conditions are shown on page 74 of the AR.

The ASA understands that the culture metric will be assessed using eleven key metrics that comprise the results of two in house surveys, being a risk culture survey and an engagement survey, together with the responses to nine specific culture related questions included in the culture survey. The scorecard for the three surveys is not included in the remuneration section of the annual report, and the ASA understands the Board determines the vesting outcomes once all the inputs have been considered, although no information on the process is available.

No HPSRs vested to KMP in September 2022 or 2023 due to poor TSR performance. The HPSRs awarded in 2020 vested in September 2024. It is expected that HPSRs awarded in 2021 will vest in September 2025 due to an annualised TSR result of 9.27%. A two-year

dealing restriction applies to vested HPSRS in line with requirements of CPS 511. The ASA will vote undirected proxies in favour of this resolution.

Resolution 2 Grant of long-term hurdled performance rights HPSRs to the CEO (for)

Mr Hamilton is eligible for a long-term incentive each year. Presently this award is set at 225% of fixed remuneration. The long-time incentive will be awarded in the form of HPSRs, under the Challenger performance plan. The Board proposes to grant 305,381 HPSRs to Mr Hamilton, the number issued being calculated by the VWAP of Challenger shares over the 5 trading days from 2 September to 8 September 2025 of \$8.2888. Conditions to be satisfied for the award of the HPSRs are covered in the summary on remuneration. The ASA will vote undirected proxies in favour of this resolution.

Resolution 3 Election of John Somerville as Non-Executive Director. (for)

Mr Somerville joined the Board in June 2025. He holds a Bachelor of Science (University of Melbourne), Graduate Diploma of Applied Information Systems (RMIT University) and Master of Business Administration, Finance (Honours), (New York University). Mr Somerville has more than 30 years executive experience across ASX listed companies and other private companies, including 20 years at KPMG. He also served as CEO and Managing Director of law firm Slater and Gordon Limited. He has no other directorships with listed companies. Mr Somerville did not hold CHG shares in June 2025. The ASA will vote undirected proxies in favour of this resolution and hopes Mr Somerville will speak to the meeting.

Resolution 4 Election of David Whittle as Independent Non-Executive Director. (for)

Mr Whittle joined the Board as non-executive Director in June 2025. He holds Bachelor of Commerce and Bachelor of Arts degrees (Deakin University) and has over 25 years' experience in brand, digital innovation and transformation. His executive career included 10 years with global advertising group M&C Saatchi and during that time lead the Australian business as Managing Director. He currently serves as a non-executive director for Metcash Limited and Michael Hill International Limited. He has recently concluded a nine-year tenure as a director at Myer Holdings Limited. Mr Whittle purchased 8,888 CHG shares during the year. The ASA will vote undirected proxies in favour of this resolution and hopes Mr Whittle will speak to the meeting.

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Appendix 1

Remuneration framework detail

CEO rem. Framework for FY25	Target* \$m	% of Total	Max. Opportunity \$m	% of Total
Fixed Remuneration	1,116,667	23%	1,116,667	19%
STI – Cash	742,583	15%	1,116,667	19%
STI – Equity	714,875	14.50%	1,116,667	19%
LTI	2,512,501	48%	2,527,194	43%
Total	5,086,626	100.0%	5,877,195	100%

The amounts in the table above are the amounts that are envisaged in the design of the remuneration plan. *Target remuneration is sometimes called budgeted remuneration and is what the company expects to award the CEO in an ordinary year, with deferred amounts subject to hurdles in subsequent years before vesting. Some remuneration frameworks set a maximum opportunity amount, but not all.