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Employer Statement

Gender Pay Gap

February 2025

Challenger's Approach to Gender Equality

Our Diversity, Equity and Inclusion Strategy focuses on the very core of our organisation, our people. Our people first approach means we foster the **Stronger together, supporting each other** focus area of our employee value proposition.

Challenger is committed to achieving gender equality and realising the many benefits it delivers. Together with a focus on continued improvement against gender composition targets, practices are in place to achieve gender equality in the following areas[1]:

- **Recruiting** for diversity, particularly at senior levels
- Creating an inclusive **culture** which values difference
- Setting of **measurable diversity targets** and **reporting on progress** on a monthly basis
- **Performance** processes include people and diversity measures for our leaders
- **Remuneration** is calibrated annually to ensure fair and equitable outcomes
- Gender diverse pools identified through **talent** and **succession planning**
- **Talent development** programs and ensuring that all employees have actionable plans

1. This applies to all employee types, including independent contractors and casuals

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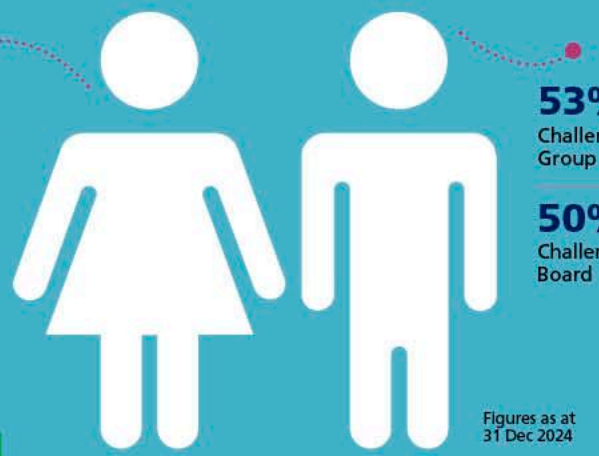
Achieving Gender Equality at Challenger 2025



GEI 1 & 2

Gender composition of the workforce and governing bodies of relevant employers

GEI 3

Equal remuneration between women and men

Average total remuneration = **14.2% gap**
Median total remuneration = **2.0% gap**

Average base salary = **13.0% gap**
Median base salary = **8.0% gap**

No pay differentiation in like-for-like roles at Challenger

GEI 5

Consultation with employees on issues concerning gender equality in the workplace

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- Supporting employees to **shape the** diversity and inclusion **agenda**
- **Recognising and celebrating** important events and milestones
- **Learn from the best** through our people and their lived experiences

GEI 4

Availability and utility of employment terms, conditions and practices relating to flexible working arrangements for employees and to working arrangements supporting employees with family or caring responsibilities

- Providing **flexible resources** and **opportunities** to **all individuals**
- Signatory **commitment** to ongoing partnerships
- **Gender neutral** paid parental leave of up to **18 weeks** which can be taken flexibly
- Family inclusive workplace **certified**

GEI 6

Sexual harassment, harassment on the ground of sex or discrimination

Respect@Work supporting Challenger in maintaining a workplace where **individuals** are treated with **respect and courtesy**

Training delivered to all people including Challenger Board throughout 2024

Gender Pay Gap Overview

Challenger's average and median gender pay gap for total remuneration and base salary is provided in the table below.

Gender Pay Gap	2023-24	Industry Comparison
Average total remuneration	14.2%	14.2%
Median total remuneration	2.0%	16.3%
Average base salary	13.0%	13.0%
Median base salary	8.0%	15.1%

We are pleased to report that our gender pay gap has continued to improve year on year and is in line with the industry comparison for total remuneration and base salary.

This result is an outworking of our ongoing commitment in delivering outcomes against our Diversity, Equity and Inclusion (DEI) strategy.

We are committed to reducing this pay gap. To help achieve this, we have targets for women in management and offer a range of other benefits to improve diversity outcomes and ensure a balanced workforce composition.

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Strategic Growth Through Partnerships and Change

Throughout 2024, Challenger expanded its strategic partnerships undergoing transformational change. Our partnerships with Accenture, providing access to world class technology and capabilities, along with State Street's global leading investment administration and custody services, aims to improve the customer experience, support growth and deliver on efficiencies.

Reflecting our organisational structure in 2024, the gender pay gap result for Challenger Group[1] and its majority owned investment administration business, Artega[2], were reported separately which was not as favourable. As a result of the transformational change outlined above, Artega will no longer form part of Challenger's gender pay gap.

1. Challenger's corporate group gender pay gap for 2023-24 is Average total remuneration 14.6%, Median total remuneration 3.9%, Average base salary 13.6%, Median base salary 9.2%
2. Artega's gender pay gap for 2023-24 is Average total remuneration 17.4%, Median total remuneration 10.9%, Average base salary 15.7%, Median base salary 15.4%

Gender Pay Equity

Equal pay for equal work

- Challenger recognises that the gender pay gap is not the same as ‘pay equity’. Pay equity is achieved when women and men receive equal pay for work of equal or comparable value (i.e. like-for-like roles).
- Pay equity remains an important focus for Challenger and is typically reported to the Board through our annual remuneration review processes.
- Challenger confirms that based on its most recent review, there continues to be no difference in pay for men and women in like-for-like roles.

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Moving Forward

Challenger has held its Employer of Choice citation from the Workplace Gender Equality Agency for seven years and continues to do so as part of its strategy towards a diverse and inclusive workplace.

This citation recognises Challenger's commitment to and focus on improving gender equality across areas such as leadership and strategy, developing a gender-balanced workforce, preventing gender-based harassment and discrimination, sexual harassment and bullying and driving change beyond the workforce.

Challenger was ranked 16th the 2024 Equileap Gender Equality Global Report (including 5th for Financial Services globally and 6th in Australia). Equileap is the leading organisation providing data and insights on gender equality in the corporate sector. Every year, they evaluate ~5,600 companies around the world on gender equality based on 21 indicators including gender balance at all levels within the company, the gender pay gap, sexual harassment and parental leave.

We recognise that in working towards a zero gender pay gap, our policies and processes must reflect the strategy set by our Board to deliver an equitable remuneration framework, which may evolve based on research, industry changes and employee feedback.

Working towards a zero gender pay gap

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Family Inclusive Workplace™ CERTIFIED 2023/2024

WGEA Employer of Choice for Gender Equality