



Diversity, Equity and Inclusion Policy

Challenger Limited

Date of version:	August 2025
Review of Policy due by:	August 2026
Policy Owner:	Human Resources
Prepared by	Chief Human Resources Officer
Authorised by:	Group People and Remuneration Committee



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Summary

Why is this policy required?

This policy sets out Challenger's approach to workplace diversity, equity, and inclusion, how diversity and inclusion is supported and Challenger's measurable objectives relating to diversity and inclusion.

Who does this policy apply to?

This policy applies to all employees of Challenger Limited based in Australia.

Review cycle

This policy will be reviewed annually or as required if there are material changes to relevant regulations or legislation.

What is diversity, equity and inclusion?

Workplace diversity refers to the diverse perspectives and contributions that employees bring to their work because of their unique mix of attributes, cultural heritage and experiences.

Workplace equity refers to the provision of fair and equal opportunities to all employees to deliver.

Workplace inclusion refers to employees having a sense of belonging, acceptance, respect and value in the workplace.

A diverse, equitable and inclusive workplace appreciates individual differences and perspectives and eliminates barriers that may be faced outside of the workplace. When these can be expressed freely, listened to and respected, employees are able to fully participate in the workplace and enjoy a safe, productive and positive work culture. Successfully harnessing diverse thinking and working styles contributes to innovation and superior long-term outcomes.

What is Challenger's approach to diversity, equity, and inclusion?

Challenger's employee value proposition includes an overarching pillar to embed a stronger together, supporting each other culture. Our people first approach means employees work collaboratively with people who bring diverse backgrounds for a smarter outcome.

Challenger inspires a diverse and inclusive workplace where employees can succeed regardless of their life circumstances and experiences including, but not limited to, gender identity, age, cultural background, religious beliefs, marital or family status, disability, sexual orientation, socio economic background or carer responsibilities.

Challenger's Diversity, Equity and Inclusion Strategy is endorsed by the Board and Chief Executive Officer and has three key areas of focus:

1. **Diverse and inclusive culture** – Where differences are respected and valued, and employees have a strong sense of belonging.
2. **Gender equality through equitable practices** – Improving business outcomes through equitable representation, opportunities and reward for everyone.
3. **Diversity beyond gender** – Supporting employment outcomes for diverse and multigenerational perspectives and skillsets, represented by the employee networks.

Employee-led network groups are in place to drive initiatives supporting Challenger's diversity, equity and inclusion strategy, and manage activities and events which focus on issues most important to employees. These groups are:

- EngAge – Age inclusion
- Equal aGender – Gender inclusion
- Kaleidoscope – Cultural inclusion
- Tessellate – Disability inclusion
- Together@Challenger – LGBTQ+ inclusion

Challenger's commitment to diversity, equity and inclusion is reflected in employment practices, policies and guidelines. In addition to this policy, these include:

- I ACT values
- Code of Conduct
- Workplace Discrimination, Bullying and Harassment Policy

- Respect@Work Anti Sexual Harassment Prevention Guidelines
- Workplace Gender Affirmation Guidelines
- Flexible Work Toolkit
- Recruitment Toolkit
- Leave Guidelines
- Remuneration Policy

All people leaders have a compulsory key performance indicator requiring them to contribute to the delivery of Challenger's diversity, equity and inclusion strategy and reflects the importance of diversity and inclusion at Challenger.

What is Challenger's approach to gender equality?

Gender equality is achieved when employees are equally valued, rewarded by role, and able to access the same opportunities, irrespective of gender. 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 (see Appendix A), which are reported to the Board on a regular basis. Practices are in place to achieve gender equality in the following areas¹:

- **Recruitment** – The Recruitment Toolkit details the expectations we have on non-discriminatory selection practices, including on the basis of gender. Recruitment training covers equal employment opportunity principles and anti-discrimination recruitment practices. Externally, terms and conditions with recruitment agencies require a commitment to the delivery of gender equitable shortlists for all positions including engagement of casuals. For the recruitment of all roles (including independent contractors), Challenger requires a gender diverse panel throughout the process.
- **Performance management** – The performance management process is transparent and considers performance against agreed objectives and the I ACT values. Performance ratings are subject to rigorous peer review through annual Business Unit and Leadership Team calibration to ensure gender equity, with outcomes reported to the Board.
- **Promotions** – Employees are considered for promotion opportunities irrespective of gender. All vacant positions are advertised internally (except in exceptional circumstances) to ensure equitable access to opportunities. Employees on parental leave are considered for promotion opportunities when they arise. Analysis of promotion data by gender is reported to the Board on a quarterly basis.
- **Talent identification and succession planning** – The Leadership Team conducts an annual talent and succession process to identify high potential employees and discuss succession plans for key roles ensuring all genders are represented in the talent pool.
- **Remuneration** – Challenger is committed to the delivery of equitable remuneration outcomes irrespective of gender. Annual remuneration outcomes, with a particular focus on gender remuneration equity for like roles and by level, are subject to rigorous review through the Leadership Team calibration process to ensure internal equity and fairness. Appropriate adjustments are made where required and outcomes are analysed and reported to the Board.
- **Training and development** – Employees have equal access to training and development opportunities irrespective of gender, analysis is conducted to ensure participation is equitable for major development programs and initiatives.
- **Resignations** – Resignation data is captured by gender and reported to the Board on a quarterly basis. Where material differences are noted, action is taken to understand the reasons for departure and how they may be improved in the future.

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

- **Parental Leave** – Employees have equal access to parental leave benefits to support caring responsibilities whilst maintaining their careers.
- **Significant organisational changes** – A robust process is followed when identifying structural changes in the organisation to ensure outcomes are determined by business requirements and not based on gender.

Diversity & Inclusion Committee

To provide continued focus on, and promotion of, a diverse and inclusive workplace, Challenger established a Diversity Committee in 2014. Renamed in 2019, the Diversity & Inclusion Committee is chaired by the Chief Executive Officer and sponsored by the Chair of Challenger's Board.

Measurable objectives

Each year, the Board commits to measurable diversity objectives against which progress is reviewed at the end of the year. Challenger's measurable objectives for diversity for FY26 are included in Appendix A.

Point of contact

The Chief Human Resources Officer is the point of contact in relation to any questions or issues arising from this policy.

Review Cycle

This policy will be reviewed annually or as required if there are material changes to relevant regulations or legislation.

Appendix A – FY26 Measurable Objectives

Objective	Measured by:																																																
Gender balance Improving business outcomes through gender balance across all levels of the organisation (40% women, 40% men, 20% any gender)	<ul style="list-style-type: none"> Achievement of gender composition targets: 																																																
	<table border="1"> <thead> <tr> <th></th> <th>Jun 25 (%)</th> <th>Jun 25 (n)</th> <th>FY26</th> <th>FY27</th> <th>FY30</th> </tr> </thead> <tbody> <tr> <td>Women in all roles</td> <td>45.5%</td> <td>258</td> <td>40-60%</td> <td>40-60%</td> <td>40-60%</td> </tr> <tr> <td>Women in management</td> <td>40.2%</td> <td>74</td> <td>40-60%</td> <td>40-60%</td> <td>40-60%</td> </tr> <tr> <td>Women in Investment Management</td> <td>25.8%</td> <td>16</td> <td>37.5%</td> <td>37.5%</td> <td>40-60%</td> </tr> <tr> <td>Women in Sales</td> <td>37.7%</td> <td>23</td> <td>40-60%</td> <td>40-60%</td> <td>40-60%</td> </tr> <tr> <td>Women on Leadership Team</td> <td>37.5%</td> <td>3</td> <td>40-60%</td> <td>40-60%</td> <td>40-60%</td> </tr> <tr> <td>Women on Board</td> <td>40.0%</td> <td>4</td> <td>40-60%</td> <td>40-60%</td> <td>40-60%</td> </tr> <tr> <td>Men in Admin & Clerical</td> <td>20.0%</td> <td>5</td> <td>25%</td> <td>25%</td> <td>30%</td> </tr> </tbody> </table>		Jun 25 (%)	Jun 25 (n)	FY26	FY27	FY30	Women in all roles	45.5%	258	40-60%	40-60%	40-60%	Women in management	40.2%	74	40-60%	40-60%	40-60%	Women in Investment Management	25.8%	16	37.5%	37.5%	40-60%	Women in Sales	37.7%	23	40-60%	40-60%	40-60%	Women on Leadership Team	37.5%	3	40-60%	40-60%	40-60%	Women on Board	40.0%	4	40-60%	40-60%	40-60%	Men in Admin & Clerical	20.0%	5	25%	25%	30%
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<ul style="list-style-type: none"> Building Challenger's profile as an employer of choice for women. Succession plans are gender diverse, and a strong pipeline of talented women has been established. Implementation of talent management program for high potential women. Gender balance achieved for recruitment shortlists, appointments, promotions, and strategies in place to address inequities. 																																																	
Work/Life Integration Supporting employees to achieve meaningful engagement in their work and life	<ul style="list-style-type: none"> Continuing to support and expand flexible working and enable employees to better balance work and life commitments. Strengthening the existing support provided to employees: <ul style="list-style-type: none"> During the transition to and from parental leave; With elder care and disability care commitments; Impacted by domestic and family violence; and In the transition from work to retirement. 																																																
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Gender pay equity

Extending pay equity to all levels in the organisation

- Continuing rigorous calibration processes to ensure performance assessment and remuneration recommendations are evidence based and without gender bias.
- Maintaining existing parity of remuneration for like roles.
- Improved organisation-wide and by level pay gaps.

Aged employment

Supporting employment outcomes for older employees

- Retention of existing employees aged over 50.
- Implementation of initiatives which create opportunities to employ people aged over 50.
- Increasing the proportion of employees aged over 50 to be more representative of the Australian population.

Diverse and inclusive workforce

A workplace where differences are valued, and employees have a strong sense of belonging

- Supporting employees to shape the diversity agenda and extend Challenger's diversity focus to areas which matter to them.
- Recognising and celebrating important events and milestones that represent the many different backgrounds and perspectives of employees at Challenger.
- Improvement in Australian Workplace Equality Index score.
- Supporting an inclusive and psychologically safe work environment.