



Challenger Limited 2022 AGM report

ASX code	CGF
Meeting date	27 October 2022
Type of meeting	Hybrid
Monitor	Elizabeth Fish assisted by Nick Bury
Pre AGM-meeting	With Chairman Duncan West, Joanne Stephenson (Chair of the Remuneration Committee) and Mark Chen (G.M. Investor Relations)

Meeting Statistics

Number of holdings represented by ASA	115
Number of shares represented by ASA	738,187
Value of shares represented by ASA	\$5.1m
Total number attending meeting	128 attendees
Market capitalisation	\$4.91billion
ASA open proxies voted	On a poll. ASA voted in favour of all the resolutions.

The AGM seemed to give shareholders a confidence boost as the shares rose from \$6.84 on 27 October to \$7.19 on 2 November, or was it just the interest rate rise.

Chairman Mr Peter Polson stepped down from his position and the Board at the end of the meeting. At the beginning of the meeting the Chairman provided an update of the company's position, saying that he was leaving the company in great shape, strongly capitalised and well positioned for future growth. This he said, was in spite of another year of disruptions caused by Covid, the war in Ukraine and significant volatility in global investment markets. He continued saying, in spite of these issues the result for the year was towards the upper range of the guidance given.

The CEO spoke about the rebranding of Challenger CIP Asset management, now Challenger Investment Management and Fidante. Going forward he said that Challenger is working with a number of superannuation funds in developing long term retirement income solutions for members following the introduction of the retirement income covenant that came into effect in July 2022.

He also mentioned the sale of the Mylifemyfinance bank to Heartland announced in the previous week, but not the \$19.1m write-down in June 2022, due to goodwill impairment of the bank or additional costs relating to the sale.

He spoke about Challenger's strong track record in partnering with key institutions, for example with the MS&AD insurance group in Japan and more recently with Apollo, a global alternative asset manager and Simcorp, a global leader in investment administration technology.

He thought Challenger uniquely placed to participate in the decumulation phase of the Australian retirement system and benefit from this phase. Even though superannuation assets are set to triple over the next twenty years. Today he said there is around \$3 trillion in superannuation accounts of people over 60.

A transcript of both the Chairman's and CEO's addresses is at <https://www.challenger.com.au/shareholder/market-announcements/2022-agm-chairman-and-ceo-addresses>.

The question time was not exactly a surprise. The Chair opened the meeting to questions immediately after the CEO's address, instead of with each resolution. There was no notice that this would be the only opportunity to ask questions. The monitor had expected that this might be the case as it had happened in previous years. ASA recommends AGM's follow the meeting agenda when taking questions. It makes it easier for shareholders in general to follow the answers and to choose when to ask questions.

The ASA raised the issue of poor disclosure of the short-term remuneration incentive structure and lack of quantifiable performance metrics for KMP's other than the CEO. The Chairman responded saying that we had discussed this matter previously and he did not expect there would be any change in this matter.

There were no questions regarding the two directors up for re-election and both spoke to the meeting on their suitability for the roles.

There were four resolutions put to shareholders. Two for re-election of directors, one for the Remuneration Report and one for the grant of long-term performance share rights to the CEO Mr Nick Hamilton. The four resolutions were passed in favour at 99.81%, 98.96%, 94.48% and 96.43%.

After the meeting Ms Stephenson and Ms Wills came and spoke to the ASA monitors as did Mr Nick Hamilton. Luckily, an ASA member with a personal issue with the company was with the monitor when Mr Hamilton joined the group. She explained her problem to him, and he promptly found a staff member to help.

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