

CAPITAL NOTES DISTRIBUTION FRANKING AMENDMENT

Challenger Limited (ASX: CGF) (Challenger) today announced its financial results for the first half of the 2021 financial year. This included announcing the Board had declared a fully franked 2021 interim dividend of 9.5 cents per share, which is expected to be paid on 23 March 2021.

As this dividend will be fully franked, under the terms and conditions (**Terms**) of Challenger's Capital Notes (as defined below), the distributions on all Capital Notes for the period up until 30 June 2021 are required to be franked at the same rate as Challenger's ordinary dividend.

Accordingly, Challenger has lodged updated distribution payment notifications in respect of the February 2021 quarterly distribution payments for each of:

- Challenger Capital Notes issued on 9 October 2014 (ASX: CGFPA) (**CCN1**);
- Challenger Capital Notes 2 issued on 7 April 2017 (ASX: CGFPB) (**CCN2**); and
- Challenger Capital Notes 3 issued on 25 November 2020 (ASX: CGFPC) (**CCN3**),

(together, the **Capital Notes**).

Full details of the Terms of CCN1, CCN2 and CCN3, including on distributions and franking, can be found on www.challenger.com.au.

This release has been authorised by Challenger's Continuous Disclosure Committee.

ENDS

About Challenger

Challenger Limited (Challenger) is an investment management firm focusing on providing customers with financial security for retirement.

Challenger operates two core investment businesses, a fiduciary Funds Management division and an APRA-regulated Life division. Challenger Life Company Limited is Australia's largest provider of annuities.

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