

## Macquarie Group Limited

ABN 94 122 169 279



MACQUARIE

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# ASX Release

## MACQUARIE GROUP LIMITED (ASX CODE: MQG) - NOTICE OF 2024 ANNUAL GENERAL MEETING

**SYDNEY, 19 June 2024** - Pursuant to ASX Listing Rule 3.17.1, attached is a copy of the Macquarie Group Limited Notice of 2024 Annual General Meeting (Notice) and proxy form, which are being despatched to shareholders from today. The meeting will be held at 10:30am on Thursday, 25 July 2024.

# Contacts

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This document was authorised for release to ASX by Simone Kovacic, Company Secretary.



# Macquarie Group Notice of 2024 Annual General Meeting

10:30am (AEST)  
Thursday, 25 July 2024



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19 June 2024



**MACQUARIE**

Dear Shareholder

On behalf of the Board we look forward to welcoming you to the 2024 Annual General Meeting (AGM) of Macquarie Group Limited (Macquarie), which will take place on Thursday, 25 July 2024 at 10:30am (AEST) online at [web.lumiconnect.com](https://web.lumiconnect.com) and in person at the Sheraton Grand Sydney Hyde Park, Level 2 Grand Ballroom, 161 Elizabeth Street, Sydney, New South Wales 2000.

This year's meeting will be held as a hybrid meeting, giving shareholders the opportunity to participate in the meeting, including to vote and ask questions, online or in person at the venue.

The enclosed Meeting Participation Guide, also available online at: [macq.co/agm2024](https://macq.co/agm2024), provides important information on how to attend and participate in the meeting. The AGM will be webcast live and available for later viewing on Macquarie's website at macquarie.com.

At the meeting Macquarie Managing Director and Chief Executive Officer, Shemara Wikramanayake, and I will comment briefly on the performance of Macquarie Group during the financial year ended 31 March 2024. Further comments and detailed information are provided in Macquarie's 2024 Annual Report, which is available on Macquarie's website. The meeting will cover the items of business set out in the enclosed notice of meeting with additional information in the explanatory notes accompanying and forming part of the notice of meeting. Each Director standing for re-election will also address the meeting.

If you plan to attend the meeting in person, please bring the enclosed proxy form or your holding registration details with you to facilitate your registration, which will commence at 9:45am (AEST). I look forward to welcoming you to our AGM.

Yours faithfully

**Glenn Stevens AC**  
Chair



# Meeting Participation Guide

## How to participate in the AGM

The Macquarie Group Limited (Macquarie) Annual General Meeting (AGM) will be held at 10:30am (AEST) on Thursday, 25 July 2024. There are a number of ways shareholders and interested parties can participate in the AGM:

- **online:** shareholders and proxyholders may participate in the AGM online, which will allow them to view a live webcast, ask written or audible questions and vote during the meeting.
- **in person:** shareholders and proxyholders are welcome to attend the meeting in person at the **Sheraton Grand Sydney Hyde Park, Level 2 Grand Ballroom, 161 Elizabeth Street, Sydney, New South Wales 2000** where they may ask questions and vote.
- **webcast:** shareholders and other interested parties may view the meeting live, however the webcast does not provide for asking questions or voting.

Please note that there may be a 15-30 second delay when attending online or watching the webcast.

## Proxy voting and proxyholder participation

Macquarie encourages all shareholders to submit a proxy vote online ahead of the meeting. Proxy votes can be lodged at [investorcentre.linkmarketservices.com.au](https://investorcentre.linkmarketservices.com.au)

Further information on lodging a proxy vote ahead of the meeting is available on pages 9 and 10 of this notice of meeting booklet.

Proxyholders will need to contact Macquarie's share registry, Link Market Services Limited (Link), on 1300 554 096 (within Australia) or +61 1300 554 096 (internationally) to obtain their login details to participate live online.

## Questions

Please note, only shareholders and proxyholders may ask questions, once they have been verified. It may not be possible to respond to all questions. Shareholders may also lodge questions prior to the meeting by logging into [investorcentre.linkmarketservices.com.au](https://investorcentre.linkmarketservices.com.au) and clicking on 'Ask a question' by 10:30am (AEST) on Tuesday, 23 July 2024.

## How to participate live online

### Login

Shareholders and proxyholders may watch and participate in the AGM via the online platform by using a computer or mobile device. Enter the following URL in your browser: [web.lumiconnect.com](https://web.lumiconnect.com) using the latest version of Chrome, Safari, Edge or Firefox or click the following link: [web.lumiconnect.com/328364224](https://web.lumiconnect.com/328364224)

The meeting ID for Macquarie's AGM is: 328-364-224

You will then need to enter your SRN/HIN and postcode or country code.

Your SRN/HIN is printed on your Proxy Form.

Your postcode is the postcode registered on your holding if you are an Australian shareholder. For international shareholders, enter your 'country code' which can be found in the online user guide available at [macq.co/agm2024](https://macq.co/agm2024)

Proxyholders will need to contact Macquarie's share registry, Link, on 1300 554 096 (within Australia) or +61 1300 554 096 (internationally) to obtain their login details to participate live online.

Non-shareholders may login using the guest portal on the Lumi AGM platform.

Online registration will open at 9:45am (AEST) on Thursday, 25 July 2024 (45 minutes before the meeting).



### Direct voting online

Once polls are open, shareholders can cast a direct vote by clicking on the bar chart icon.



### Ask a question online

Click this icon for the submission of written questions. Questions may be moderated or amalgamated if there are multiple questions on the same topic.



### Ask an audible question

Click on the button 'Request to Speak' at the bottom of the Broadcast window. You'll be redirected to an audio-only environment. Here you will enter your question details and wait to be called to ask your question.



For further details, please refer to the user guide on our website at [macq.co/agm2024](https://macq.co/agm2024)

### Webcast

The meeting will be webcast live on the Macquarie website at [macquarie.com](https://macquarie.com).

Non-shareholders may view the webcast by registering online as a guest.

The webcast is 'view only'. Those viewing the webcast through the Macquarie website will not be able to vote or ask questions.

The meeting will also be recorded and available on the Macquarie website after the meeting.







Access the live webcast and subsequent recording at [macquarie.com](https://macquarie.com)

## How to participate in person at the venue







Those attending the meeting in person will be issued with a handset upon registration. The handset allows eligible attendees to cast a direct vote and ask questions.

### Questions

- To join the queue, press the  icon, followed by  to confirm. When your name is called you will be invited to ask your question at the nearest microphone.
- To leave the queue, press  and confirm your choice by pressing .

### Voting

- When voting opens, use the scroll wheel to highlight the resolution you wish to vote on, then press .
- Once you have read the resolution, press  to see the voting options.
- Press 1 to vote FOR, 2 to vote AGAINST or 3 to ABSTAIN
- Press  to move on to the next resolution or  to return to the full list of resolutions.



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# 01

## Notice of Meeting

### **1 Elizabeth, Sydney**

Macquarie's new global headquarters at 1 Elizabeth Street is a landmark, state-of-the-art office tower in the heart of the city's civic, cultural and financial district. Connected to our existing heritage 50 Martin Place building, it will bring our Sydney teams together in one campus for the first time in 25 years when it opens mid-2024 above a major public transport interchange.

The 2024 Annual General Meeting (AGM) of Macquarie Group Limited (ACN 122 169 279) (Macquarie, MGL, the Company) will take place on Thursday, 25 July 2024, at 10:30am (AEST) online at [web.lumiconnect.com](http://web.lumiconnect.com) and in person at the Sheraton Grand Sydney Hyde Park, Level 2 Grand Ballroom, 161 Elizabeth Street, Sydney, New South Wales 2000. Registration will commence at 9:45am (AEST) on the day.

## Items of business

### 1. Financial statements

To consider and receive the Financial Report, the Directors' Report and the Auditor's Report of Macquarie for the financial year ended 31 March 2024.

### 2. Re-election of Voting Directors

#### 2a. Re-election of Ms RJ McGrath as a Voting Director retiring by rotation

To consider and, if thought fit, pass the following as an ordinary resolution:

*That Ms RJ McGrath be re-elected as a Voting Director of Macquarie.*

#### 2b. Re-election of Mr M Roche as a Voting Director retiring by rotation

To consider and, if thought fit, pass the following as an ordinary resolution:

*That Mr M Roche be re-elected as a Voting Director of Macquarie.*

#### 2c. Re-election of Mr GR Stevens as a Voting Director retiring by rotation

To consider and, if thought fit, pass the following as an ordinary resolution:

*That Mr GR Stevens be re-elected as a Voting Director of Macquarie.*

### 3. Adoption of the Remuneration Report

To consider and, if thought fit, pass the following as an ordinary resolution:

*To adopt the Remuneration Report of Macquarie for the financial year ended 31 March 2024.*

### 4. Approval of Managing Director's participation in the Macquarie Group Employee Retained Equity Plan (MEREP)

To consider and, if thought fit, pass the following as an ordinary resolution:

*That the following be approved for all purposes:*

- (a) *participation in the MEREP by Ms Shemara Wikramanayake, Managing Director and Chief Executive Officer; and*
- (b) *acquisition by Ms Wikramanayake of Restricted Share Units and Performance Share Units and the acquisition of shares in the Company in respect of those Restricted Share Units and Performance Share Units,*

*all in accordance with the terms of the MEREP and on the basis described in the Explanatory Notes to the Notice of Meeting convening this meeting.*

### Chair's voting intention

The Chair of the Meeting intends to vote undirected proxies **in favour of Items 2a, 2b, 2c, 3 and 4**. There will be no resolution regarding item 1.



# Notice of Meeting

Continued

## Voting exclusions

### Item 3 – Adoption of the Remuneration Report

A vote on Item 3 must not be cast (in any capacity) by or on behalf of:

- (a) a member or a former member of the key management personnel (KMP) whose remuneration details are disclosed in Macquarie's 2024 Remuneration Report, or
- (b) a closely related party of such a KMP.

In addition, a vote must not be cast on Item 3 by a member of the KMP of Macquarie, or a closely related party of a KMP, acting as proxy for a person entitled to vote.

However, such a person described above may cast a vote on Item 3 if:

- (a) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Item 3; or
- (b) the person is the Chair of the Meeting acting as proxy for a person entitled to vote on Item 3 because Macquarie's proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies.

A closely related party includes close family members and companies the KMP controls.

### Item 4 – Approval of Managing Director's participation in the Macquarie Group Employee Retained Equity Plan (MEREP)

Macquarie will disregard any votes cast in favour of Item 4 by or on behalf of the Managing Director and Chief Executive Officer (Managing Director) or an associate of the Managing Director.

However, this does not apply to a vote cast in favour of Item 4 by:

- (a) the Managing Director or any associate of the Managing Director as proxy or attorney for a person who is entitled to vote on Item 4, in accordance with the directions given to the proxy or attorney to vote on Item 4 in that way; or
- (b) the Chair of the Meeting, as proxy or attorney for a person who is entitled to vote on Item 4, in accordance with a direction given to the Chair to vote on Item 4 as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Item 4; and
  - (ii) the holder votes on Item 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

In addition, a vote must not be cast on Item 4 by a member of the KMP of Macquarie or a closely related party of a KMP, acting as proxy for a person entitled to vote, if their appointment does not specify the way the proxy is to vote on Item 4. This restriction on voting undirected proxies does not apply to the Chair of the Meeting acting as proxy for a person entitled to vote on Item 4 because Macquarie's proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies.

By order of the Board

**Simone Kovacic**  
Company Secretary

Sydney  
19 June 2024

## Notes

### 1. Proxies

Macquarie encourages all shareholders to submit a proxy vote online ahead of the meeting. Shareholders who do so may either participate in the meeting themselves or appoint a proxy to participate for them. A proxy need not be a shareholder of Macquarie. If you are entitled to cast two or more votes, you may nominate two persons to vote on your behalf at the meeting. If two proxies are appointed, each proxy may be appointed to represent a specified number or proportion of your votes. Fractions of votes will be disregarded. If no such number or proportion is specified, each proxy may exercise half your votes.

Votes may be cast 'For' or 'Against' or you may 'Abstain' from voting on a resolution. To direct a proxy how to vote on any resolution, place a mark (e.g., a cross) in the appropriate box on the proxy form or insert the number of shares or percentage of shares that you wish to vote in the appropriate box. A valid voting direction must not exceed the total number of shares held or 100%. If you 'Abstain' from voting, your votes will not be counted in calculating the required majority on a poll.

For shareholders receiving the Notice of Meeting by post, a proxy form and a reply-paid envelope have been included with this Notice of Meeting. Proxy voting instructions are provided on the proxy form.

A proxy appointment is not revoked by the appointing shareholder participating in the AGM unless the shareholder actually votes on a resolution, in which case, the shareholder's vote on that resolution will be counted instead of any vote by the proxyholder. Under Macquarie's proxy appointment, if a proxyholder does not participate at the AGM, the Chair of the AGM will be taken to have been appointed as the proxy for the relevant shareholder in respect of the AGM.

### 2. Online proxy facility

You may submit your proxy appointment online at [investorcentre.linkmarketservices.com.au](https://investorcentre.linkmarketservices.com.au)

Login to this website using the holding details shown on your Proxy Form. To use the online lodgement facility, shareholders will need their 'Holder Identifier' (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) shown on your Proxy Form.

You will be taken to have signed the proxy appointment if you lodge it in accordance with the instructions on the website. If you wish to use this facility, you must submit your proxy appointment through the facility by **no later than 10:30am (AEST) on Tuesday, 23 July 2024**. A proxy cannot be appointed online if they are appointed under a power of attorney or similar authority.

If you wish to appoint a second proxy please contact Macquarie's share registry, Link Market Services, online or on 1300 554 096 (within Australia) or +61 1300 554 096 (internationally).

Please read the instructions for the online proxy facility carefully before you submit your proxy appointment using this facility.

If you receive shareholder communications by email, your Notice of Meeting email will include a link to the online proxy appointment site.

### 3. Proxy delivery

Completed proxies must be received by Macquarie's share registry, Link Market Services, online or at Link Market Services Limited, Locked Bag A14, Sydney South, NSW 1235 (facsimile number +61 2 9287 0309) or Parramatta Square, Level 22, Tower 6, 10 Darcy Street, Parramatta, NSW 2150, or at Macquarie's registered office in Sydney, by **no later than 10:30am (AEST) on Tuesday, 23 July 2024**.

Any revocations of proxies (including online proxy appointments) must be received at one of these places before the commencement of the meeting.

### 4. Power of Attorney

If a shareholder has appointed an attorney to participate and vote at the meeting, or if the proxy is signed by an attorney, the power of attorney (or a certified copy of the power of attorney) must be received by Macquarie's share registry, Link Market Services, at the post office box or facsimile number in Note 3 above, or at Macquarie's registered office in Sydney, by **no later than 10:30am (AEST) on Tuesday, 23 July 2024**, unless the power of attorney has been previously lodged with Macquarie's share registry.

### 5. Corporate representatives

If a corporate shareholder wishes to appoint a person to act as its representative at the meeting, that person should be provided with a letter or certificate authorising them as the company's representative (executed in accordance with the company's constitution) or with a copy of the resolution appointing the representative, certified by a secretary or director of the company. A form of appointment of corporate representative may be obtained from Macquarie's share registry, Link Market Services, online at [linkmarketservices.com.au](https://linkmarketservices.com.au) or on 1300 554 096 (within Australia) or +61 1300 554 096 (internationally).

The form attaching the letter, certificate or certified resolution referred to above must be received by Link Market Services at Locked Bag A14, Sydney South, NSW 1235, [macquarie@linkmarketservices.com.au](mailto:macquarie@linkmarketservices.com.au) or facsimile number +61 2 9287 0309, by no later than the commencement of the meeting, unless it has previously been lodged with Macquarie's share registry.

# Notice of Meeting

Continued

## 6. Direct voting online during the meeting

Shareholders entitled to vote at the meeting are entitled to vote directly online at any time once invited by the Chair at the start of the meeting until the Chair closes voting at the meeting.

If a shareholder casts a direct vote live during the meeting on a particular resolution, they are taken to have revoked the authority of a proxy, attorney or representative to vote on their behalf on that resolution under an instrument of appointment received by Macquarie before registering online for direct voting or casting a direct vote by using the handset.

For instructions on how to submit a direct vote online, or voting online as a proxyholder, during the meeting, see page 3 of this notice of meeting booklet.

## 7. Shareholders eligible to vote

Pursuant to regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)*, the holders of Macquarie's ordinary shares for the purposes of the meeting will be those registered holders of Macquarie's ordinary shares at **7:00pm (AEST) on Tuesday, 23 July 2024**.

## 8. Voting at the meeting by poll

Voting on each of the proposed resolutions at this meeting will be conducted by poll.

## 9. Conduct of the meeting

Macquarie is committed to ensuring that its shareholder meetings are conducted in a manner which provides those shareholders (or their proxyholders) who attend the meeting with the opportunity to participate in the business of the meeting in an orderly fashion and to ask questions about and comment on matters relevant to the business of the meeting or about Macquarie generally. Macquarie will not allow conduct at any shareholder meeting which is discourteous to those who are present at the meeting, or which in any way disrupts or interferes with the proper conduct of the meeting. The Chair of the Meeting will exercise their powers as the Chair to ensure that the meeting is conducted in an orderly and timely fashion, in the interests of all attending shareholders.

In the event that technical issues arise, Macquarie will have regard to the impact of the technical issues on shareholders participating and casting direct votes online, and the Chair of the Meeting may, in exercising their powers as the Chair, issue any instructions for resolving the issue and may continue the meeting if it is appropriate to do so.

## 10. Questions and comments by shareholders

At the meeting, shareholders will be provided with a reasonable opportunity to ask questions about or make comments on the business of the meeting, the management of the Company or about the Macquarie Group generally.

PricewaterhouseCoopers, Macquarie's external auditor, will attend the meeting and there will be an opportunity for shareholders to ask questions relevant to the audit.

Shareholders may also submit questions ahead of the meeting through the facility within the online proxy voting site by **10:30am (AEST) Tuesday, 23 July 2024**.

Questions online or submitted before the meeting may be moderated or amalgamated if there are multiple questions on the same topic. It may not be possible to respond to all questions.

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# 02

## Explanatory Notes

### **One IFC, Hong Kong**

The 2021 award-winning redesign of Macquarie's Hong Kong office in One International Finance Centre, overlooking Victoria Harbour, provides support for hybrid working and enhances the connectivity of our people by using flexible multi-use spaces to foster stronger connections between teams.

## Item 1 - Financial statements

As required by section 317 of the *Corporations Act 2001 (Cth)* (the Act), the Financial Report, Directors' Report and Auditor's Report of Macquarie Group Limited for the most recent financial year will be laid before the meeting. There will be no formal resolution put to the meeting.



The reports are available on Macquarie's website at [macquarie.com/about/investors/reports](https://www.macquarie.com/about/investors/reports)

## Items 2a, 2b and 2c - Re-election of Voting Directors

Voting Directors Ms. Rebecca McGrath, Mr. Mike Roche and Mr. Glenn Stevens retire by rotation and offer themselves for re-election in accordance with Article 9.2 of Macquarie's Constitution.

A brief summary of their qualifications and experience is provided below.

### Item 2a - Re-election of Ms RJ McGrath as a Voting Director retiring by rotation



#### Rebecca J McGrath

BTP (Hons) (UNSW), MAppSc (ProjMgt) (RMIT), FAICD

Independent Voting Director since January 2021 (of Macquarie Bank since January 2021)

Chair of the Board Governance and Compliance Committee

Member of the Board Nominating Committee

Member of the Board Risk Committee

### Experience

Rebecca McGrath is an experienced professional company director and Chair, with substantial international business experience. She spent 25 years at BP plc where she held various executive positions, including Chief Financial Officer Australasia and served as a member of BP's Executive Management Board for Australia and New Zealand.

Ms. McGrath has served as a director of Goodman Group, CSR Limited, Big Sky Credit Union and Incitec Pivot Ltd, and as Chair of Oz Minerals Limited, Scania Australia Pty Limited and Kilfinan Australia. She is a former member of the JP Morgan Advisory Council. She has attended executive management programmes at Harvard Business School, Cambridge University and MIT in Boston.

Ms. McGrath is Chair of Investa Wholesale Funds Management Limited and Investa Office Management Holdings Pty Limited, and a Non-Executive Director of Djerriwarrh Investments Limited.

She is a member of the national Board of the Australian Institute of Company Directors, a member of the ASIC Corporate Governance Consultative Panel and a member of the Australian British Chamber of Commerce Advisory Council. She is also a Non-Executive Director of Melbourne Business School.

### Recommendation

The Board considers that Ms. McGrath's extensive experience in the energy and industrial sectors, and as a Non-Executive Director, continues to be of significant benefit to Macquarie.

Prior to submitting herself for re-election, Ms. McGrath confirmed that she would continue to have sufficient time to properly fulfil her Director's duties for Macquarie. In accordance with Macquarie's policy on independence for Non-Executive Directors, the Board (with Ms. McGrath abstaining) has determined that Ms. McGrath remains independent.

The Board (with Ms. McGrath abstaining) unanimously recommends that shareholders vote in favour of Ms. McGrath's re-election as an Independent Voting Director.

# Explanatory Notes

Continued

## Item 2b – Re-election of Mr M Roche as a Voting Director retiring by rotation



### Mike Roche

BSc (UQ), GAICD, FIA  
(London), FIAA

Independent Voting Director since January 2021 (of Macquarie Bank since January 2021)  
Member of the Board Audit Committee  
Member of the Board Nominating Committee  
Member of the Board Remuneration Committee  
Member of the Board Risk Committee

### Experience

Mike Roche has over 40 years' experience in the finance sector as a highly skilled and experienced provider of strategic, financial, mergers and acquisitions, and capital advice to major corporate, private equity and government clients. He held senior positions with AXA Australia as a qualified actuary and Capel Court/ANZ Capel Court.

Mr. Roche spent more than 20 years at Deutsche Bank and was Head of Mergers and Acquisitions (Australia and New Zealand) for 10 years where he advised on major takeovers, acquisitions, privatisations, and divestments. He stepped down as Deutsche Bank's Chair of Mergers and Acquisitions (Australia and New Zealand) in 2016. He was a member of the Takeovers Panel for two terms from 2008 to 2014.

Mr. Roche is a Non-Executive Director of Wesfarmers Limited, MaxCap Group Pty Ltd and Te Pahau Management Limited, and Managing Director of M R Advisory Pty Ltd.

He is co-founder, and a director of, the Sally Foundation.

### Recommendation

The Board considers that Mr. Roche's extensive experience as a corporate finance advisor and in structured finance continues to add valuable and relevant financial expertise to Macquarie.

Prior to submitting himself for re-election, Mr. Roche confirmed that he would continue to have sufficient time to properly fulfil his Director's duties for Macquarie. In accordance with Macquarie's policy on independence for Non-Executive Directors, the Board (with Mr. Roche abstaining) has determined that Mr. Roche remains independent.

The Board (with Mr. Roche abstaining) unanimously recommends that shareholders vote in favour of Mr. Roche's re-election as an Independent Voting Director.

## Item 2c – Re-election of Mr GR Stevens as a Voting Director retiring by rotation



### Glenn R Stevens

BEC (Hons) (Sydney), MA  
(Econ) (UWO)

Independent Chair since May 2022  
Independent Voting Director since November 2017 (of Macquarie Bank since November 2017)  
Chair of the Board Nominating Committee

### Experience

Glenn Stevens worked at the highest levels of the Reserve Bank of Australia (RBA) for 20 years and, as well as developing Australia's successful inflation targeting framework for monetary policy, played a significant role in central banking internationally. Most recently, he was Governor of the Reserve Bank of Australia between 2006 and 2016.

Mr. Stevens has also made key contributions to a number of Australian and international boards and committees, including as chair of the Australian Council of Financial Regulators between 2006 and 2016, as a member of the Financial Stability Board and on a range of G20 committees.

Mr. Stevens serves on the Board of NSW Treasury Corporation. He is a Director of the Anika Foundation and the Lowy Institute, Deputy Chair of the Temora Aviation Museum and a volunteer pilot for Angel Flight.

### Recommendation

The Board considers that Mr. Stevens' extensive expertise in, and knowledge of, economic analysis and management and global economies, and his leadership and management experience from his time as Governor of the Reserve Bank of Australia, continues to be of great benefit to Macquarie, particularly in his role as Chair of Macquarie and Macquarie Bank.

Prior to submitting himself for re-election, Mr. Stevens confirmed that he would continue to have sufficient time to properly fulfil his Director's and Chair's duties for Macquarie. In accordance with Macquarie's policy on independence for Non-Executive Directors, the Board (with Mr. Stevens abstaining) has determined that Mr. Stevens remains independent.

The Board (with Mr. Stevens abstaining) unanimously recommends that shareholders vote in favour of Mr. Stevens' re-election as an Independent Voting Director.



## Item 3 – Adoption of the Remuneration Report

As required by section 250R(2) of the *Corporations Act 2001 (Cth)* (the Act), a resolution that Macquarie's Remuneration Report be adopted will be put to the vote. Section 250R(3) of the Act provides that the vote on the resolution is advisory. The Remuneration Report is contained within the Directors' Report in Macquarie's 2024 Annual Report on pages 106 to 156. The letter from the Chair of the Board Remuneration Committee included in the Remuneration Report and an analysis that demonstrates Macquarie's results are aligned to remuneration outcomes for the year are reproduced below.

### Letter from the Chair of the Board Remuneration Committee

On behalf of the Board, as Chair of the Board Remuneration Committee (BRC), I am pleased to present the 2024 Remuneration Report.

Against a backdrop of challenging market conditions during the 2024 financial year (FY2024), Macquarie has continued to deliver on its strategy. The fundamentals of our businesses remain sound, as demonstrated by the strength and diversity of the underlying franchises, strong and conservative balance sheet, proven risk management framework and our distinct culture.

Macquarie remains well positioned to deliver long-term sustainable value for shareholders, consistent with our track record. In less supportive markets, financial results in FY2024 are down from a record FY2023. Consistent with our established remuneration framework that rewards performance across a range of financial and non-financial measures and aligns outcomes for staff with those of our shareholders, total profit share awarded to staff is substantially down on the prior year.

### Performance and remuneration outcomes for FY2024

The Board remains focused on ensuring there is a robust and rigorous process in place to determine remuneration outcomes. Significant oversight and judgement are applied so that our remuneration outcomes are aligned with both individual and company-wide financial and non-financial performance and Macquarie's ongoing success.

In considering Macquarie's non-financial performance, the Board recognises the importance of sound ESG practices as part of their responsibility to clients, shareholders, employees and the communities in which Macquarie operates.

### Financial performance

Following record financial results in FY2023, Macquarie delivered:

- net profit after tax (NPAT) of \$A3,522 million in FY2024 (down 32% from FY2023)
- return on equity (ROE) of 10.8% (down compared to FY2023's 16.9%)
- earnings per share (EPS) of 916.6 cents per share (down 32% compared to FY2023)
- the FY2024 full-year dividend is down 15% compared to FY2023.

The total compensation expense is in line with the prior year, impacted by the higher average number of staff during the year, wage inflation and unfavourable foreign exchange movements. These factors, as well as lower overall revenue, led to the significant increase in the compensation expense to income ratio to 43.1%.

### Non-financial performance

In addition to financial performance, the Board's determination of remuneration outcomes for FY2024 for the CEO and other Executive KMP reflects the following non-financial factors which the Board sees as essential drivers of long-term sustainable growth:

- the strong leadership of the Executive Committee, led by the CEO, to effectively role model our purpose and principles and to embed a strong risk culture
- Executive Committee collaboration to solve challenges and maximise opportunities across Operating and Central Service Groups
- the continued evolution of our businesses to remain well positioned to deliver long-term sustainable value, including alignment with areas of structural growth globally (e.g. energy transition, infrastructure for digital and demographic shifts)
- the continued focus on non-financial risks, including in areas such as climate, sustainability and technology, while also uplifting our risk management frameworks across trading, technology, cyber and data. While there were no systemic risk issues identified during the year, a legacy risk matter in MAM was taken into account in determining the MGL CEO's remuneration
- a focus on streamlining investment programs and driving greater returns on investment, following a period of significant investment in our platform
- investment in renewable energy solutions at scale, supporting the next wave of climate technologies
- maintaining strong engagement and focus on meeting regulator expectations including progress against the remediation program with APRA to ensure there is appropriate focus on Macquarie Bank Limited (MBL)
- the refresh of our global employee value proposition to evolve in line with shifts in talent expectations and ensure we accurately reflect the career experience and distinct culture that Macquarie offers.



# Explanatory Notes

Continued

In addition to assessing the performance of the CEO and other Executive KMP, the BRC is also very aware of competitive market pressures when determining remuneration outcomes. The attraction and retention of high-performing, diverse talent, with deep industry expertise, is a key element of Macquarie's strategy. Macquarie's remuneration framework plays an important role in achieving this. As part of determining remuneration outcomes, the BRC considers relativities in the global markets in which each business competes for talent, including in industries that are not publicly listed with undisclosed remuneration outcomes.

## Remuneration outcomes

The Board and the BRC have given careful consideration to both financial and non-financial factors, and we believe the following outcomes for the year are appropriate:

- MGL CEO awarded profit share has decreased 26% on the prior year to \$A23.75 million, which reflects the decrease in financial results while considering her strong leadership and ongoing commitment to fostering a positive culture
- MBL CEO awarded profit share of \$A3.75 million, reflecting efforts to uplift the role of the MBL CEO
- total comparable Executive KMP awarded profit share of \$A80.20 million (down 15% on the prior year)<sup>(1)</sup>
- Performance Share Unit (PSU) allocations of \$A4.0 million for the MGL CEO and \$A2.8 million for each Executive KMP, in line with the prior year.

## Changes to the remuneration framework

Changes to our remuneration framework, including those previously announced in the 2022 and 2023 Remuneration Reports, have been implemented for FY2024 to meet the requirements of APRA Prudential Standard CPS 511 *Remuneration* (CPS 511). These changes are referenced throughout the relevant sections of this report and include:

- fixed remuneration increases, effective 1 April 2023, the first since 2010, other than adjustments made at the time of a new appointment to the Executive Committee
- a reduction in retention rates and vesting periods (to reflect that awards from FY2024 will no longer be accelerated over two years in the case of retirement or redundancy and will instead vest on their original vesting schedule).

These changes are reflected in the awarded pay outcomes for Executive KMP set out on pages 130-139 in the Remuneration Report.

We engaged with APRA during the year in regard to our implementation of CPS 511 and remain committed to ensuring our remuneration framework complies with and considers the spirit and intent of CPS 511 and remains fit for purpose.

## Culture, accountability and remuneration

Our approach to remuneration plays an important role in promoting Macquarie's culture. Our framework supports our purpose by motivating staff to be innovative and build businesses but also be accountable for their decisions, behaviours and associated risk management, customer, economic and reputational consequences.

Our purpose and core principles of Opportunity, Accountability and Integrity remain pivotal to our culture and effectively guide our staff in balancing risk and reward when making decisions that realise opportunities for the benefit of our clients, our shareholders, our people and the communities in which we operate. The Board recognises the importance of continually assessing Macquarie's culture formally through surveys and Board reporting and informally through direct interactions with staff.

Risk management is a fundamental part of everyone's role at Macquarie. Staff understand that they are rewarded for their performance, including the identification and management of risk, and that there are consequences for non-compliance with Macquarie's behavioural expectations.

In FY2024, there were 131 (FY2023: 129) matters involving conduct or policy breaches that resulted in formal consequences. Consistent with prior years, further details regarding these matters are disclosed on page 122 in the Remuneration Report in Macquarie's 2024 Annual Report.

The BRC assessed and determined that there were no instances that required the application of malus or clawback during the year.

I look forward to receiving your views and support at the 2024 Annual General Meeting.

### **Jillian Broadbent AC**

Chair  
Board Remuneration Committee

Sydney  
3 May 2024

(1) Comparable Executive KMP are KMP who are members of the Executive Committee for the full year in both FY2024 and FY2023.

## Comparison of performance measures and executive remuneration measures: FY2023-2024

The analysis below details Macquarie's results and demonstrates how these results are aligned to remuneration outcomes for the year.

	Expressed as	FY2024	FY2023	Increase/(Decrease)%
<b>Performance measures</b>				
NPAT	\$Am	<b>3,522</b>	5,182	(32%)
Basic EPS	Cents per share	<b>916.6</b>	1,353.7	(32%)
Ordinary dividends	Cents per share	<b>640.0</b>	750.0	(15%)
Return on equity	Percent	<b>10.8</b>	16.9	
<b>Executive remuneration measures</b>				
Total compensation expense	\$Am	<b>7,273</b>	7,278	-
Compensation expense to income ratio	Percent	<b>43.1</b>	38.1	
Average staff headcount <sup>(2)</sup>		<b>21,066</b>	19,480	8%
Actual staff headcount <sup>(2)</sup>		<b>20,666</b>	20,509	1%
CEO awarded profit share	\$Am	<b>23.75</b>	32.00	(26%)
Total Executive KMP awarded profit share	\$Am	<b>80.20</b>	151.59	(47%)
Total comparable Executive KMP awarded profit share	\$Am	<b>80.20</b>	94.70	(15%)
CEO statutory remuneration	\$Am	<b>29.37</b>	30.40	(3%)
Total Executive KMP statutory remuneration	\$Am	<b>67.19</b>	150.47	(55%)
Total comparable Executive KMP statutory remuneration	\$Am	<b>109.51</b>	107.78	2%

Noting that each Voting Director has a personal interest in their own remuneration from Macquarie, as described in the Remuneration Report, the Board recommends that shareholders vote in favour of adopting the Remuneration Report.

(2) Headcount for both FY2024 and FY2023 includes staff employed in certain operationally segregated subsidiaries (OSS).

# Explanatory Notes

Continued

## Item 4 - Approval of Managing Director's participation in the Macquarie Group Employee Retained Equity Plan (MEREP)

The approval of shareholders is sought to permit Ms. Wikramanayake, Macquarie's Managing Director and Chief Executive Officer (Managing Director), to participate this year, with other executives in the MEREP.

### Background

This approval is being sought under ASX Listing Rule 10.14, which provides that a listed company may only permit a director of the company to acquire newly issued shares or rights to shares under an employee incentive scheme where that director's participation has been approved by an ordinary resolution of shareholders.

The Managing Director is eligible to receive certain awards under the MEREP, which is administered by the Board. The MEREP rules provide flexibility to allow the use of newly issued or existing shares (for example through purchase on-market) to satisfy awards under the MEREP. The Board may also engage third-party share managers to assist with the administration of the MEREP. Further details of the MEREP are set out in Note 32 of the Financial Statements in Macquarie's 2024 Annual Report.

The Managing Director is eligible to receive Restricted Share Units (RSUs) under the MEREP, subject to shareholder approval of this Item 4. The Macquarie shares required for this grant are expected to be purchased by the trust established to hold shares for MEREP purposes. Subject to shareholder approval of this Item 4 in the Notice of Meeting, shares may instead be issued if purchasing becomes impractical or inadvisable.

The Managing Director is also eligible to receive Performance Share Units (PSUs) that are exercisable into Macquarie shares subject to performance hurdles. Shareholder approval under ASX Listing Rule 10.14 is being sought so that PSUs may be issued to the Managing Director under the MEREP. Further information on PSUs and the performance hurdles can be found in Appendix A to these Explanatory Notes.

Details of the RSUs and PSUs issued to the Managing Director under the MEREP will be published in the annual report of MGL relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the MEREP after shareholder approval of this Item 4 in the Notice of Meeting and who were not named in this Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

### Restricted Share Units

Approval is sought to allocate \$A14.97 million of the Managing Director's profit share under the MEREP, in the form of RSUs.

An RSU is a beneficial interest in a MGL ordinary share held on behalf of a MEREP participant by the plan trustee and is used to deliver the retained portion of the Managing Director's profit share allocation. Macquarie uses equity awards such as RSUs to strengthen alignment between executives and ordinary shareholders. RSUs provide the executives with the full benefits of share ownership (such as dividend and voting rights).

The RSUs for which approval is sought will vest over five years. In all other respects, the RSUs will be subject to the same terms and conditions as RSUs awarded to other Macquarie Executive Directors with retained profit share allocated under the MEREP. Macquarie's 2024 Remuneration Report includes a summary of these terms and conditions, including in relation to forfeiture, malus and clawback events, and vesting and release (which are set out on pages 115 to 116 of the Remuneration Report in Macquarie's 2024 Annual Report).

The number of RSUs that will be allocated to the Managing Director will be determined by dividing her retained profit share amount to be invested in Macquarie shares (\$A14.97 million) (Retained Amount) by the volume weighted average price (VWAP) at which Macquarie shares are acquired during the Buying Period for the allocation of MEREP awards to other staff with retained profit share for the financial year ended 31 March 2024. The Buying Period is expected to run from 13 May 2024 to 28 June 2024 but may be completed earlier or later. The average price is referred to as the Acquisition Price.

If shares are issued to fill any shortfall in the number of shares acquired in the Buying Period for the Managing Director and concurrent MEREP offers to other staff, the number of RSUs that will be allocated to the Managing Director will be determined by dividing her Retained Amount by the volume weighted average of the Acquisition Price and the price at which any shares are issued. The latter will be the volume weighted average price of Macquarie shares traded on the ASX over the five trading days leading up to, but excluding, the issue date (Issue Price).

This is consistent with the methodology used for calculating the number of MEREP awards for other staff with retained profit share for the financial year ended 31 March 2024. The number of RSUs to be allocated to the Managing Director will not be known until the Acquisition Price, the Issue Price and/or the volume weighted average of the Acquisition Price and the Issue Price (Blended Price) (as applicable) are calculated at the end of the Buying Period.

## Performance Share Units

Approval is sought to allocate Ms. Wikramanayake \$A4.00 million worth of PSUs vesting after five years from the deemed vesting commencement date (1 July 2024).

Executive Committee members, including the Managing Director, are the only group of staff eligible to receive PSUs, which are determined with reference to Macquarie's performance as a whole. As such they provide an additional incentive to executives to drive company-wide performance over the long term and beyond their Operating and Central Service Group responsibilities. Macquarie uses equity awards such as PSUs to strengthen alignment between executives and shareholders. PSUs do not provide the executives with the full benefits of share ownership (such as dividend and voting rights) unless and until the PSUs vest and are exercised.

To ensure continued alignment with shareholders post termination, in cases of retirement from Macquarie, PSUs continue to vest in accordance with the vesting schedule and remain subject to the same performance hurdles. The Board or its delegate has the authority to accelerate the vesting of PSUs (only in the case of death or serious incapacitation), to permit PSUs to continue to vest in accordance with the original award schedule and remain subject to the same performance hurdles, or to forfeit PSUs when the Managing Director leaves Macquarie. The Managing Director's PSUs will be structured as Deferred Share Units (DSUs) which are subject to the performance hurdles described in Appendix A to these Explanatory Notes. On exercise of the PSUs the Managing Director has a right to receive a share held in the MEREP Trust (Trust) for no cash payment, subject to the vesting and forfeiture provisions of the MEREP.

The number of PSUs that will be allocated to the Managing Director will be calculated by dividing \$A4.00 million by the price of Macquarie shares on or around the date of grant. The face value of PSUs that may be acquired by the Managing Director is \$A4.00 million. The determination of the number of PSUs to be allocated will be deferred until after shareholder approval is received. The market price of Macquarie shares for the purpose of this calculation will be the closing market price preceding the date of grant, which is expected to be on or around 1 August 2024.

The table below provides an estimate of the number of PSUs to be granted at varying prices for ordinary MGL shares (also referred to as 'Macquarie shares').

Macquarie Share Price	Value of PSU Award (\$A000s)	Estimated number of PSUs to be granted
\$A180	\$A4,000	22,222
\$A185	\$A4,000	21,621
\$A190	\$A4,000	21,052
\$A195	\$A4,000	20,512

The value of any Macquarie shares that may be received by the Managing Director at a future date as a result of this allocation of PSUs will depend on factors including the extent to which the performance hurdles are achieved and the future price of Macquarie shares when any of these awards become exercisable. Further details regarding PSUs are set out on pages 117 to 119 and page 140 of the Remuneration Report.

## Managing Director's remuneration

Full details of the Managing Director's awarded remuneration in respect of the 2024 financial year are shown in the Remuneration Report (pages 130 and 140). This comprised:

- Fixed remuneration of approximately \$A1.53 million
- Available profit share of approximately \$A7.13 million
- Retained profit share of approximately \$A16.63 million, of which 90% (\$A14.97 million) is being delivered as RSUs under the MEREP
- PSUs of approximately \$A4.00 million.

Remuneration for the current financial year ending 31 March 2025 will also consist of fixed remuneration, profit share and PSUs. Fixed remuneration remains consistent and the allocation of profit share and PSUs will be determined by the Board following the end of the financial year. The amount of profit share that may be awarded to the Managing Director for FY2025 is dependent on a number of factors, as set out on pages 127 to 129 of the Remuneration Report, including the financial performance of Macquarie, business and people leadership, both financial and non-financial risks, including conduct matters and outcomes for our clients and customers.

## Maximum number of RSUs and PSUs

The maximum number of RSUs for which approval is sought will be calculated by dividing her Retained Amount (\$A14.97 million) by the Acquisition Price or the Issue Price or the Blended Price (as applicable) as described above. The maximum number of PSUs that may be acquired by the Managing Director for which shareholder approval is sought will be calculated by dividing \$A4.00 million by the price of Macquarie shares on or around the date of grant, as described above.

## Price payable on grant of RSUs

The Managing Director will not make any cash payment for the RSUs for which shareholder approval is sought. However, the aggregate allocation value of the RSUs to be granted to the Managing Director is approximately \$A14.97 million, being Ms. Wikramanayake's Retained Amount.

## Price payable on grant of PSUs

The Managing Director will not make any cash payment for the PSUs for which shareholder approval is sought. However, the face value of the PSUs will be \$A4.00 million, with the PSUs being an incentive mechanism for future performance that can only be exercised subject to satisfaction of the performance hurdles described in Appendix A to these Explanatory Notes.



# Explanatory Notes

Continued

## Previous issues to Managing Director

The Managing Director is the only person referred to in ASX Listing Rule 10.14 entitled to participate in the MEREP. Since being appointed as Managing Director, Ms Wikramanayake has been issued 533,682 RSUs and 131,949 PSUs. RSUs were granted at allocation prices ranging from \$A112.15 to \$A179.17 per RSU and no cash payment was made by Ms Wikramanayake for the RSUs and PSUs previously issued under the MEREP. Further details of the RSUs and PSUs previously issued to Ms Wikramanayake under the MEREP are set out on pages 151 to 154 of the Remuneration Report.

## Terms of any loan relating to the acquisition of shares

No loan is being provided to the Managing Director in relation to the acquisition of shares under the MEREP.

## Date by which grants will be made

The proposed grants of RSUs and PSUs to the Managing Director are expected to be made on or around 1 August 2024 but not later than 30 September 2024, subject to shareholder approval of this Item 4 in the Notice of Meeting.

## Consequences if approval not obtained

If shareholders do not approve the proposed issue of RSUs and PSUs to the Managing Director under Item 4, the proposed grant of RSUs and issue of PSUs to her will not proceed. This may impact Macquarie's ability to incentivise the Managing Director and align her interests with those of shareholders and with the remuneration arrangements of the other Executive Directors. The Board will need to consider alternative remuneration arrangements, which may not be consistent with Macquarie's remuneration principles, including a cash payment.

The Non-Executive Directors of the Board recommend that shareholders vote in favour of Item 4 in the Notice of Meeting. Ms. Wikramanayake, being the Managing Director, has a material personal interest in the resolution and, therefore, has abstained from providing a recommendation.

## Appendix A – Performance Share Units

Executive Committee members, including the Managing Director and Chief Executive Officer (CEO), are the only staff eligible to receive Performance Share Units (PSUs), which are determined with reference to Macquarie's performance as a whole. As such they provide an additional incentive to Executive Committee members to drive company-wide performance over the long-term and beyond their Operating and Central Service Group responsibilities. PSU awards are a meaningful incentive but are generally not the major element of an Executive Committee member's total remuneration.

As previously announced, for awards in respect of FY2024 onwards, the vesting period for PSUs granted to the CEO has been extended by a year, to five years. In addition, prior to the vesting of PSUs, the Board will conduct a pre-vest assessment of the Executive Committee's collective performance over the vesting period. The table below summarises the approach to PSU allocations in respect of FY2024.

### 1. Pre-grant period (Financial Year (FY))

- Individual PSU allocations are based on performance over the financial year prior to grant (taking into consideration both financial and non-financial factors). Considerations include their role as members of the Executive Committee and their contribution to driving the collective performance of Macquarie, including their collaboration across businesses, progress on company-wide programs and maintaining Macquarie's risk culture.
- The face value of PSUs awarded to each Executive Committee member is approved by the Board as part of the annual remuneration review process. Shareholder approval is also sought at Macquarie Group's Annual General Meeting (AGM) to allocate PSU awards to the CEO, who is an Executive Voting Director.
- PSUs are granted in August each year, after Macquarie Group's AGM, in respect of the previous financial year. The number of PSUs allocated is calculated by dividing the face value of the award by the price of MGL ordinary shares on or around the date of grant.
- PSUs are structured as DSUs with no exercise price. Holders have no right to dividend equivalent payments.

### 2. Performance period (FY+1 to FY+4)

- PSUs will only become exercisable to the extent that two equally weighted ROE and EPS performance hurdles are achieved over a four-year performance period. Details of, and the rationale for, the ROE and EPS hurdles are set out below.
- The ROE and EPS performance hurdles attached to PSUs are tested at the end of the performance period and the results are reported to the BRC.

### 3. Additional vesting period (FY+5)

- For the CEO and MBL CEO, an additional one-year period applies before PSUs may vest following the end of the four-year performance period.
- For other Executive KMP, PSUs may vest on 1 July following the end of the four-year performance period.

### 4. Pre-vest assessment (At end of vesting period)

- Prior to vesting of PSU awards, the Board will conduct a holistic assessment of the Executive Committee's collective contribution to driving the performance of Macquarie over the vesting period, based on the extent to which the Executive Committee has:
  - promoted behaviour that is consistent with and reflects Macquarie's risk culture, *Code of Conduct* and the principles of *What We Stand For*
  - overseen the effectiveness of Macquarie's risk management framework, regulatory compliance, policies and practices in managing key financial and non-financial risks, and
  - overseen funding, liquidity and capital management to ensure Macquarie's financial soundness.
- Where the Board forms a negative overall assessment of the relevant Executive Committee's collective contribution, it may consider whether an adjustment is appropriate, taking into account any mitigating and aggravating factors.
- To assist the Board with their determination of an adjustment to the PSU vesting outcome, and to ensure that the determination encompasses all relevant considerations, the BRC will receive reporting over the vesting period.

# Explanatory Notes

Continued

## Performance hurdles

PSUs will only become exercisable to the extent that the following performance hurdles are achieved:

	EPS CAGR hurdle	ROE hurdle
<b>Application</b>	50% of PSU award	50% of PSU award
<b>Performance measure</b>	Compound annual growth rate (CAGR) in EPS over the four-year performance period.	Relative average annual ROE over the four-year performance period compared to a reference group of international financial institutions.  The reference group comprises Bank of America Corporation, Barclays PLC, Citigroup Inc., Deutsche Bank AG, Goldman Sachs Group Inc., JP Morgan Chase & Co., Lazard Ltd, Morgan Stanley and UBS AG <sup>(3)</sup>
<b>Hurdle</b>	Sliding scale applies: <ul style="list-style-type: none"> <li>• 50% becoming exercisable at EPS CAGR of 7.5%</li> <li>• 100% at EPS CAGR of 12%.</li> </ul> For example, if EPS CAGR was 9.75%, 75% of the relevant awards would become exercisable.	Sliding scale applies: <ul style="list-style-type: none"> <li>• 50% becoming exercisable above the 50th percentile</li> <li>• 100% at the 75th percentile.</li> </ul> For example, if ROE achievement was at the 60th percentile, 70% of the relevant awards would become exercisable.

## Rationale for hurdles

The PSU hurdles are periodically reviewed by the BRC to ensure they continue to align the interests of staff and shareholders and provide a challenging but meaningful incentive to Executive Committee members. The BRC's review includes consideration of the most relevant performance metrics to be used as hurdles as well as the levels at which the hurdles are achieved. The international reference group used for the ROE hurdle is also reviewed to determine whether our comparators remain suitable for Macquarie's diversified business interests and global footprint. The BRC also considers historical and forecast market data, the views of corporate governance groups, shareholders and regulators, as well as market practice.

In the FY2024 annual review, both the absolute EPS and relative ROE hurdles were considered to still be appropriate for the following reasons:

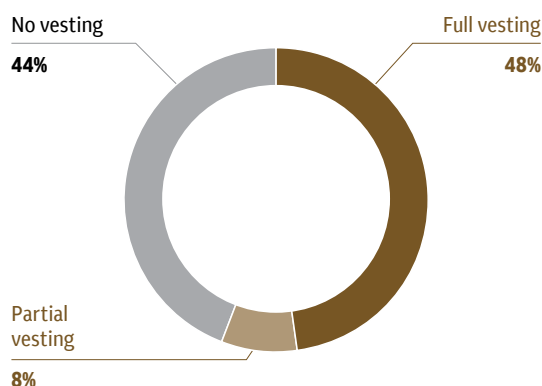
- EPS and ROE growth drive long-term shareholder value and are appropriate as the Executive Committee can affect outcomes on both measures. In contrast, Total Shareholder Return (TSR) is influenced by many external factors over which executives have limited control
- EPS and ROE can be substantiated using information that is disclosed in Macquarie's annual reports
- a sliding scale diversifies the risk of not achieving the hurdles and provides rewards proportionate to performance for shareholders and is preferable to an all-or-nothing test which some have argued could promote excessive risk-taking

- the hurdles are designed to reward sustained strong performance and are relatively well-insulated from short-term fluctuations
- the EPS targets are confirmed as rigorous when market performance is considered, with the EPS threshold hurdle exceeding the performance of most of the ASX 20, the international reference group and relevant indices over time
- for the EPS element to fully vest, Macquarie needs to achieve at least 12% CAGR over the vesting period. Supporting the rigour of the hurdle, cumulative EPS growth of 57% over four years is required to achieve full vesting
- the ROE vesting thresholds and sliding scale are in line with the domestic market and are particularly challenging when compared to international practice.

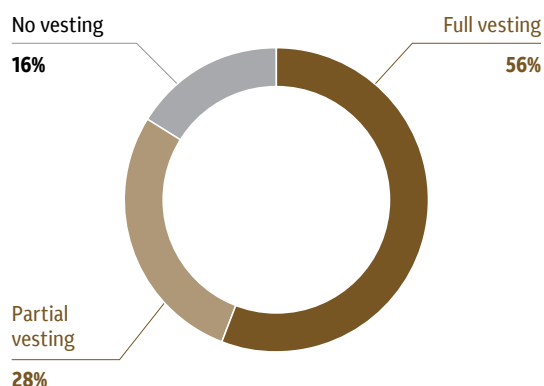
(3) For invested PSU awards made prior to FY2023, the reference group included Bank of America Corporation, Barclays PLC, Credit Suisse, Deutsche Bank AG, Goldman Sachs Group Inc., JP Morgan Chase & Co., Lazard Ltd, Morgan Stanley and UBS AG.

The charts below display Macquarie's historical EPS and ROE PSU outcomes, highlighting that since their introduction in 2009, 48% of the EPS tranches and 56% of the ROE tranches have resulted in full vesting.

#### Historical EPS tranche outcomes



#### Historical ROE tranche outcomes



### Use of an international reference group

The BRC has given careful consideration to the appropriate reference group to use for the relative ROE measure, recognising that Macquarie's combination of business activities, size and global footprint means that there are few direct comparators. The BRC's view is that simplistic comparator groups based on a company's country of listing, broad industry categorisation and/or market capitalisation do not accurately reflect the businesses and competitive markets for talent in which we operate.

When assessing and determining the appropriate reference group, the BRC considers the overall size of the reference group, the degree of internationalisation (including the degree to which they compete for shareholder capital, clients and talent in each market), each comparator's overlap with Macquarie's revenue mix and the resulting business mix when considered in aggregate. Taking into account these factors, the BRC has selected an international reference group that recognises the extent of Macquarie's diversification and internationalisation.

The BRC is mindful that some of Macquarie's businesses compete with other types of financial institutions, including asset managers, retail banks, hedge funds and commodity trading houses. However, given differences in business mix, regulatory environment, or the unavailability of public financial information, it does not consider these institutions appropriate for inclusion in the PSU reference group.

The BRC considers the international reference group to be appropriate on the basis that:

- total international income represented approximately 66% of Macquarie's total income as at 31 March 2024, with approximately 51% of Macquarie's staff located outside Australia<sup>(4)</sup>
- the international reference group is currently most representative of Macquarie's business operations and talent pool. These firms broadly operate in the same markets and in similar business segments and compete for the same people as Macquarie

- the international reference group members share broadly comparable risk, compliance and regulatory profiles
- Macquarie has no directly comparable Australian-listed peers.

While the BRC considers it important to not intervene reactively to remove under-performers or over-performers in order to provide relative stability and transparency across market cycles, it reviews and adapts the reference group as companies, markets and other situations evolve.

### Risk adjustment, malus and clawback

The Board may determine that a downward adjustment to PSU allocations prior to grant may be appropriate, including a collective adjustment where there has been an adverse outcome for MGL, MBL or their stakeholders. Risk considerations also form part of the pre-vest assessment, as set out above.

In addition, Macquarie's malus and (from FY2024) clawback provisions apply to all PSUs granted.

### Departure from Macquarie or change in control

The standard policy is that unvested PSUs will be forfeited upon termination of employment. In the case of retirement from Macquarie, redundancy, death, serious incapacitation, disability, serious ill-health or other limited exceptional circumstances, the Board or the BRC has the ability to accelerate the vesting of PSUs (to the extent permitted by law or regulation, for example in the case of death or serious incapacitation) or to take other action, for example to permit the PSUs to continue to vest in accordance with the original award schedule and remain subject to the same performance hurdles.

Should a change of control occur, the Board or the BRC has discretion to determine how unvested PSUs should be treated, having regard to factors such as the length of time elapsed in the performance and vesting periods, the level of performance to date, the circumstances of the change in control and any relevant regulatory requirements.

(4) Headcount includes staff employed in certain operationally segregated subsidiaries (OSS).

# Explanatory Notes

Continued

## Macquarie's ROE performance compared with an international reference group

Macquarie's ROE for FY2024 of 10.8%, has decreased from 16.9% in the prior year but remains higher than the average of the international reference group. In addition, Macquarie's three, five and ten-year average annual ROE exceeds the majority of the reference group.

### Reference Group ROE over ten years FY2015-2024

	1-year average % p.a.	3-year average % p.a.	5-year average % p.a.	10-year average % p.a.
<b>Macquarie</b>	<b>10.8</b>	<b>15.0</b>	<b>14.4</b>	<b>14.3</b>
<b>Average of reference group</b>	<b>9.5</b>	<b>14.1</b>	<b>13.2</b>	<b>12.0</b>
Company	9.8	10.9	10.0	8.3
Company	7.6	9.2	7.0	3.7
Company	4.2	7.7	7.8	6.2
Company	6.7	6.2	1.8	-0.3
Company	7.5	13.6	12.4	10.8
Company	16.9	16.3	15.0	12.9
Company	-15.4	29.1	35.5	44.4
Company	9.4	12.0	12.1	10.2
Company	39.0	21.5	16.8	11.9

Source: Bloomberg where available, otherwise company reported.

## Testing of hurdles

Under both performance hurdles, the objective is examined once only. Testing occurs annually on 30 June immediately before vesting on 1 July, based on the most recent financial year end results available. PSUs that do not meet performance hurdles expire.

The PSUs that completed their performance period on 30 June 2023 comprised the second tranche of those granted in 2019.<sup>(5)</sup> The performance hurdle tests were performed using data sourced from Bloomberg for all companies in the international reference group (as well as Macquarie) and the calculations were reviewed independently.

The results showed that the performance hurdles:

- based on the EPS CAGR in Macquarie's reported financial year was partially met, and
- based on Macquarie's relative average annual ROE compared to the international reference group was fully met.

As a result, 96% of the awards became exercisable on 1 July 2023, as shown below:

PSU tranche	EPS CAGR Hurdle			ROE Hurdle		
	Macquarie result (for vesting period)	Hurdle	Outcome	Macquarie result (for vesting period)	Hurdle	Outcome
<b>2019 Tranche 2</b>	11.26%	50% at 7.5% CAGR 100% at 12% CAGR	92% exercisable	15.34% (88th percentile)	50% above the 50th percentile <sup>(6)</sup> 100% at the 75th percentile <sup>(6)</sup>	100% exercisable

(5) PSUs awarded prior to FY2020 vested in two equal tranches after three and four years.

(6) International reference group ROE at 50th percentile 12.73% and international reference group ROE at 75th percentile 14.56%.



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## Investor Information

### Enquiries

Investors who wish to enquire about any matter relating to their Macquarie Group Limited shareholding are invited to contact the share registry:

Link Market Services Limited  
Level 12, 680 George Street  
Sydney NSW 2000 Australia

Telephone (within Australia): 1300 554 096  
Telephone (internationally): +61 1300 554 096

Email: [macquarie@linkmarketservices.com.au](mailto:macquarie@linkmarketservices.com.au)

Website: [www.investorcentre.linkmarketservices.com.au](http://www.investorcentre.linkmarketservices.com.au)

All other enquiries relating to a Macquarie Group Limited share investment can be directed to:

### Investor Relations

Macquarie Group Limited  
50 Martin Place  
Sydney NSW 2000 Australia

Telephone: +61 2 8232 3333

Email: [macquarie.shareholders@macquarie.com](mailto:macquarie.shareholders@macquarie.com)


Website: [macquarie.com/investors](http://macquarie.com/investors)


Macquarie's 2024 Annual Report is available on Macquarie's website at: [macquarie.com/about/investors/reports](http://macquarie.com/about/investors/reports)

[macquarie.com](https://www.macquarie.com)

**LODGE YOUR VOTE**
 **ONLINE**  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)
 **BY MAIL**  
 Macquarie Group Limited  
 C/- Link Market Services Limited  
 Locked Bag A14  
 Sydney South NSW 1235 Australia

 **BY FAX**  
 +61 2 9287 0309

 **BY HAND**  
 Link Market Services Limited  
 Parramatta Square, Level 22, Tower 6,  
 10 Darcy Street, Parramatta NSW 2150; or  
 at Macquarie's registered office in Sydney.

 **ALL ENQUIRIES TO**  
 Telephone: +61 1300 554 096

**X99999999999**
**PROXY FORM**

I/We being a member(s) of Macquarie Group Limited (the Company) and entitled to attend and vote hereby appoint:

**APPOINT A PROXY**
 the Chair of the Meeting (mark box)

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to participate in the meeting.

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chair of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit on any resolution or procedural motion which may be proposed) at the Annual General Meeting of the Company to be held at **10:30am (AEST) on Thursday, 25 July 2024 (the Meeting)** and at any postponement or adjournment of the Meeting.

**The Chair of the Meeting intends to vote undirected proxies in favour of each item of business.**

**Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters (Items 3 and 4):** If the Chair of the Meeting is your proxy and you do not direct your proxy to vote 'For', 'Against' or to 'Abstain' on Items 3 and/or 4, you expressly authorise the Chair of the Meeting to exercise the proxy in respect of Items 3 and 4 (as applicable) even if that item is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of Macquarie. The Chair of the Meeting will vote undirected proxies in favour of Items 3 and/or 4 (as applicable).

If you have appointed the Chair of the Meeting as your proxy (or the Chair of the Meeting becomes your proxy by default), and you wish to give the Chair specific voting directions on an item, you should mark the appropriate box opposite that item in Step 2 below (directing the Chair to vote for, against or to abstain from voting).

Proxyholders who wish to participate live online will need to contact the Company's share registry, Link Market Services Limited (**Link**), on 1300 554 096 or +61 1300 554 096 to obtain their login details.

**STEP 1**
**VOTING DIRECTIONS**

**Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.**

**Please read the voting instructions overleaf before marking any boxes with an**

**Resolutions**

	For	Against	Abstain*		For	Against	Abstain*
<b>2a</b> Re-election of Ms RJ McGrath as a Voting Director retiring by rotation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>2b</b> Re-election of Mr M Roche as a Voting Director retiring by rotation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>2c</b> Re-election of Mr GR Stevens as a Voting Director retiring by rotation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>3</b> Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>4</b> Approval of Managing Director's participation in the Macquarie Group Employee Retained Equity Plan (MEREP)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)




Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all shareholders must sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001 (Cth)*.

**STEP 2**
**STEP 3**
**MQG PRX2401N**




## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chair of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name and email address of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as they choose. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, all shareholders must sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the company is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be received at [macquarie@linkmarketservices.com.au](mailto:macquarie@linkmarketservices.com.au) prior to the commencement of the meeting in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### ACCESS YOUR NOTICE OF ANNUAL GENERAL MEETING

To view or download the **Macquarie Group Notice of 2024 Annual General Meeting (Notice of Meeting)**, which sets out in full the resolutions being put to the meeting and Explanatory Notes, **please visit** [macq.co/agm2024](http://macq.co/agm2024)

A physical copy of the Notice of Meeting and this proxy form is being mailed if you have elected to receive a physical copy.

Shareholders may make an election to receive certain documents in physical or electronic form, or elect not to receive certain documents, by contacting the Company's share registry.

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:30am (AEST) on Tuesday, 23 July 2024**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to submit your proxy appointment. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



#### BY MAIL

Macquarie Group Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
Parramatta Square  
Level 22, Tower 6  
10 Darcy Street  
Parramatta NSW 2150;  
or  
at Macquarie's registered office in Sydney

\* During business hours (Monday to Friday, 9:00am–5:00pm)