



Company	Macquarie Group
Code	MQG
Meeting	AGM
Date	29 July 2021 10:30am
Venue	Online: https://www.macquarie.com/au/en/investors/results.html
Monitor	Allan Goldin assisted by Sue Howes

Number attendees at meeting	103 shareholders/proxy and 106 visitors
Number of holdings represented by ASA	185
Value of proxies	\$73.45M
Number of shares represented by ASA	467,436
Market capitalisation	\$57,665m – on day of meeting
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	Yes, with Chair Peter Warne, Lynnette Sarno, Global Head of HR Sam Dobson, Head of Investor Relations

A tale of two COVID halves

While virtual, close to 3-hour AGM due to applaudable engagement with well-managed and unabridged questioning.

Chair and CEO addresses were frank, informative and provided a detailed overview. Key points were:

- Recent explosion in chemical infrastructure asset Germany;
- Focus for Board and management this year has been embedding principles and purpose;
- Long standing fundamentals have positioned well to manage with Covid-19;
- APRA, regulatory issues and changes, particularly reporting. The company are working with APRA at senior level;
- Capital: shares issued for staff MEREP and Tier 2 capital to enhance loss absorbing capital and to support growth. Update to dividend payout ratio policy to 50-70% from 60-80%, which likely signals under 60% going forward given recent dividends;

- Uncertain guidance for the coming year;
- Agreed that Texas winter storm in just 2 weeks substantially increased profits but can't say how much.

Resolutions. The standout was Mike Roche, who provided an excellent presentation. A welcome divergence from the usual repetitive biography piece trotted out by many directors. Questions were asked by a range of shareholders covering:

- Nuix: considerable shareholder anger given reliance on Macquarie's reputation when participating in IPO. Macquarie recently examined pre-IPO accounts and they met all standards. Company is aligned with investors as still largest shareholder of Nuix. Details provided around role and awareness regarding issues, seen as unforeseen circumstances. Macquarie are confident in products and medium-term prospects. IPO gain was not material to accounts;
- Withholding of proxies prior to the meeting and votes against a director – ASA and 2.7% voting against Mr Warne due to lack of succession plan. ASA talked to Ms McGrath before the AGM. Voted for her based on nothing significant to withhold votes on. Company indicated directors chosen based on ASX Board experience and replacement of existing skill set to be lost in near future;
- Chair replacement: extension of role as level of change in Board and COVID-19. Ongoing internal process to find replacement;
- Although Macquarie is still Australia's largest investor in renewables, they said it is still a period of transition. Regarding fracking in Beetaloo Basin, Macquarie only owns 5% in company in question but understands all approvals, including native title permissions, complied with. Activists asserted otherwise. Macquarie will review;
- Own funds vs managed funds for investing in opportunities: Funds invest with mandates. Attractive opportunities outside mandates, usually early stage, on own books;
- COVID-19 financial support: No JobKeeper, total of \$11.3b RBA Term Funding Facility;