



<b>Company</b>	Macquarie Group
<b>Code</b>	MQG
<b>Meeting</b>	AGM
<b>Date</b>	25 July 2019
<b>Venue</b>	Sheraton Grand Sydney NSW
<b>Monitor</b>	Allan Goldin, Richard Williams, Chandra Agnihotri

<b>Number attendees at meeting</b>	416, being 200 shareholders, 70 proxy holders, 46 guests 59 non-voting shareholders
<b>Number of holdings represented by ASA</b>	494
<b>Value of proxies</b>	\$62.886m
<b>Number of shares represented by ASA</b>	483,742
<b>Market capitalisation</b>	\$44,015m
<b>Were proxies voted?</b>	Yes, on a poll
<b>Pre AGM Meeting?</b>	Yes with Peter Warne Macquarie Group Chair, Lynnette Sarno, Global Head of HR and Sam Dobson, Head of Investor Relations

### Macquarie floats on, but hits a few waves

The Chair provided a good overview, paying particular attention to the company's Risk, Culture and Conduct policies and outcomes. Considerable time was also spent on Macquarie's approach to Environment, Social, Governance (ESG) matters.

The CEO Shemara Wikramanayake, gave a detailed explanation of each Macquarie operation and how they are performing. She then detailed an internal restructure of some reporting lines, informed us that surplus capital is now \$5 billion and that the first quarter performance was in line with prior corresponding period. She also reaffirmed earlier guidance that the overall result for 2020 will be slightly down on last year.

After the formal addresses including hearing from candidates up for election, there was a break in proceedings for half an hour. On return, the Chair took questions until no more were asked which was welcome but the order of questions didn't follow the agenda items which restricted the discussion.

ASA asked why Macquarie has not released their APRA requested Culture, Governance and

Accountability (CGA) self-assessment findings. The Chair responded that APRA had advised that it was confidential, hence commercial-in-confidence information was included. When asked if they could redact that portion, he said they were looking to see if that was possible. A further question concerned publicly releasing any future submission on APRA suggested changes to remuneration. The Chair said depending on the manner of their submission they would look to doing that or possibly publishing a separate shareholders' report. The third question was to new director Mr Coffey relating to the lessons he had learned from being deputy CEO of Westpac during a period their behaviour and actions had been heavily criticised by ASIC and the banking Royal Commission. We were disappointed further learnings appeared not to have been gleaned as they were not articulated, hence ASA voted our proxies against his election.

Three other questions dealt with gambling, with thanks given to Macquarie for stopping online gambling with its credit card and the white label card versions, but asking if they could do more. Another question resulted in the noting that Macquarie does not make donations to political parties but participates in dialogue through fund-raising meals. Shareholders' interest in climate change and the environment resulted in two questions about Macquarie's involvement in West Texas gas field. Former ASA director, Stephen Mayne proposed a unique retail shareholder-based capital raising rather than the traditional methods, but in order to engender proper consideration he would need to produce a paper.

ASA was amongst 4.5% of votes recorded against Macquarie's remuneration report because of its lack of transparency and using Fair Value as the allocation method in their key management personnel (KMP) bonuses. The remaining resolutions garnered around 98% approval. ASA voted in favour of the other resolutions except Mr Coffey's election as noted above.