



Company	Macquarie
Code	MQG
Meeting	AGM
Date	30 July, 2020
Venue	Lumi online broadcast from Macquarie offices Sydney
Monitor	Allan Goldin assisted by Sue Howes

Number attendees at meeting	244, being 194 shareholders, 2 proxy holders plus 48 visitors
Number of holdings represented by ASA	510
Value of proxies	\$42.139m
Number of shares represented by ASA	491,427
Market capitalisation	\$30,388m
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	Yes with Chair Peter Warne, Chair of Remuneration Committee Michael Hawker, Director Jillian Broadbent, Lynnette Sarno, Global Head of HR Sam Dobson, Head of Investor Relations

A well run AGM for a diverse organisation

A full video of the AGM including questions and answers is available

<https://www.macquarie.com/au/en/investors.html> Good Virtual meeting aided by including a teleconference facility.

A short video showed some of the successes MQG has had with its investments and innovation, including their new auction deposit payment platform.

The Chair's overview included commentary on their response to and effects of COVID. Their technology allows more than 98% of staff to work remotely. Around 13% of clients are accessing assistance while the platform has allowed business customers to cope with higher volumes. Culture and Risk was then discussed including outcomes and time was spent on ESG matters as well as unveiling the new purpose statement "Empowering people to innovate and invest for a better future"

The CEO's presentation covered a review of results. FY20 results were 8% down, compared with a record result in FY19 and 51 unbroken years of profit. The big driver of this reduction is the COVID

impairment charges, which were confirmed as likely only to change due to new business being written. The fall in revenue in capital markets is largely a result of taking profits late in the previous year. Surplus capital was at a record \$7.1m at the end of the year and has increased to \$8.1m at the end of Q1FY21.

Ample time was provided for questions and many were asked, key issues raised were around:

- Does the MD need to be paid the enormous amount they are paid? Market leader, global presence, delighted with performance – yes.
- Stranded assets due to climate change and involvement in support for companies and projects engaged in fossil fuels. Climate change is taken into account in risk assessment framework of each deal. Many questions related to projects where MQG were advising or providing some form of finance, not owning, so limited influence, but Chairman has intervened on behalf of affected peoples in some projects.
- Current COVID 19 situation and changing economic conditions. What can be a problem for one part of the business can be an opportunity for another. The diversity of the business is seen as good as it both cushions adversity and provides opportunities.
- The Board: The process for identifying the new chairman is in progress; Workload - Yes, it is a demanding Board and directors must sign up to this when they are appointed and ensure they manage their time appropriately.
- Why SPP rather than renounceable rights? Ensure all shareholders get at least pro-rata allocation in SPP, give more time, try to keep discount low and have SPP at same price as institutional placement. Rights issue lengthens process and more difficult.
- Two greatest risks facing Macquarie? The diversity of the business helps to mitigate, but generally unemployment levels and preserving their approach to doing business: Opportunity, Accountability, Integrity.

Although ASA opposed the Remuneration only 4.5% supported us the other results were as expected <https://www.asx.com.au/asxpdf/20200730/pdf/441070h56rl4s0.pdf>