



2021

20

20

Operational Briefing

Presentation to Investors and Analysts

9 February 2021

Internal use only

Disclaimer



The material in this presentation has been prepared by Macquarie Group Limited ABN 94 122 169 279 (MGL) and is general background information about Macquarie's (MGL and its subsidiaries) activities current as at the date of this presentation. This information is given in summary form and does not purport to be complete. The material contained in this presentation may include information derived from publicly available sources that have not been independently verified. Information in this presentation should not be considered as advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities or other financial products or instruments and does not take into account your particular investment objectives, financial situation or needs. Before acting on any information you should consider the appropriateness of the information having regard to these matters, any relevant offer document and in particular, you should seek independent financial advice. No representation or warranty is made as to the accuracy, completeness or reliability of the information. All securities and financial product or instrument transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments and, in international transactions, currency risk.

This presentation may contain forward looking statements – that is, statements related to future, not past, events or other matters – including, without limitation, statements regarding our intent, belief or current expectations with respect to Macquarie's businesses and operations, market conditions, results of operation and financial condition, capital adequacy, provisions for impairments and risk management practices. Readers are cautioned not to place undue reliance on these forward looking statements. Macquarie does not undertake any obligation to publicly release the result of any revisions to these forward looking statements or to otherwise update any forward looking statements, whether as a result of new information, future events or otherwise, after the date of this presentation. Actual results may vary in a materially positive or negative manner. Forward looking statements and hypothetical examples are subject to uncertainty and contingencies outside Macquarie's control. Past performance is not a reliable indication of future performance.

Unless otherwise specified all information is as at 31 December 2020.

Numbers are subject to rounding and may not fully reconcile.

nal use

Internal use only

01

Introduction

Sam Dobson
Head of Investor Relations

AGENDA

- 9:00** **Introduction**
Sam Dobson
- 9:05** **Update since the interim result**
Shemara Wikramanayake
- 9:30** **Macquarie Asset Management**
Martin Stanley, Ben Way
- 10:15** **Macquarie Capital**
Daniel Wong, Michael Silverton
- 11:00** **Corporate Operations Group**
Nicole Sorbara

Internal use only

02

Update since the interim result

Shemara Wikramanayake

Managing Director and
Chief Executive Officer



About Macquarie

Annuity-style activities NET PROFIT CONTRIBUTION

~70%

Markets-facing activities NET PROFIT CONTRIBUTION

~30%

Macquarie Asset Management (MAM)

- Top 50¹ global specialist asset manager with \$A550.9b² of assets under management, diversified across regions, products, asset classes and investor types
- Provides investment solutions to clients across a range of capabilities, including infrastructure & renewables, real estate, agriculture, transportation finance, private credit, equities, fixed income and multi-asset solutions

Banking and Financial Services (BFS)

- Macquarie's retail banking and financial services business with total BFS deposits³ of \$A76.3b², loan and lease portfolio⁴ of \$A84.5b² and funds on platform⁵ of \$A97.3b²
- Provides a diverse range of personal banking, wealth management, business banking and vehicle finance⁶ products and services to retail clients, advisers, brokers and business clients

Commodities and Global Markets (CGM)

Diverse platform covering more than 30 market segments, with more than 200 products

- Delivers a range of tailored specialised asset finance solutions across a variety of industries and asset classes
- Commodity market lending and financing provides clients with loans and working capital finance across a range of commodity sectors including metals, energy and agriculture
- Integrated, end-to-end offering across global markets including equities, fixed income, foreign exchange, commodities and technology, media and telecoms
- Provides clients with risk and capital solutions across physical and financial markets

Macquarie Capital (MacCap)

Global capability in:

- Advisory and capital raising services, investing alongside partners and clients across the capital structure, providing clients with specialist expertise, advice and flexible capital solutions across a range of sectors
- Development and construction of infrastructure and energy projects and, in relation to renewable energy projects, the supply of green energy solutions to corporate clients
- Equities brokerage, providing clients with access to equity research, sales, execution capabilities and corporate access

1H21 Net Profit Contribution

MAM

~47%

BFS

~14%

CGM

~9%

CGM

~38%

MacCap (~8%)

Risk Management Group

An independent and centralised function responsible for objective review and challenge, oversight, monitoring and reporting in relation to Macquarie's material risks.

Legal and Governance

Provides a full range of legal and corporate governance services, including strategic legal and governance advice and risk assessment.

Financial Management Group

Provides financial, tax, treasury, funding and capital, corporate affairs and advisory services to all areas of Macquarie.

Corporate Operations Group

Provides technology, market operations, HR, workplace, strategy, operational risk management, data and transformation, resilience and global security services plus the Macquarie Group Foundation.



Macquarie's response to COVID-19

Employees

- Gradual return to office commenced in 82% of locations where safe to do so and in numbers that allow for social distancing
- Systems and processes have been resilient to ongoing remote working, reflecting long-term investment in technology and flexible working culture
- Investment in leadership capability, technology and the workplace continues as we respond to the evolving culture of work and promote greater flexibility

We have been agile in adapting our approach to a rapidly-changing environment in each location, capturing regular feedback from staff to address immediate needs and test and learn for longer-term shifts and opportunities.

Staff engagement¹

+5%

Staff working remotely at peak

>98%

Clients

- Enhanced client support and lending relief maintained since Mar. Most clients have now resumed normal payments
- Working closely with clients in the most challenged sectors on their long-term resilience and response to disruption
- Actively supporting clients in all regions in raising essential finance and capital

We recognise the structural shift COVID-19 has prompted for some clients, giving rise to near and longer-term changes in our approach to meeting their needs and ensuring their ongoing access to opportunities.

Clients accessing assistance²

peak **~13%**

now **~1%**

Portfolio Companies

- Ongoing work with MIRA and Macquarie Capital portfolio companies including projects under construction to ensure business continuity, financial resilience and employee wellbeing
- Maintained essential community services and connected best practice across assets, industries and regions
- Capacity upgrades to MIRA-managed digital infrastructure assets have left them able to handle significant activity increases resulting from shift to virtual engagement

Our longstanding approach to crisis planning has underpinned the ability of assets to withstand economic impacts and maintain and extend essential services, while also identifying new ways to respond to disruption on behalf of the community.

Daily users of essential services

~100m

Portfolio company employees

~130k

Community

- \$A20m allocation to Macquarie Group Foundation to help combat COVID-19. To date, \$A17.7m has been allocated to 34 organisations around the world:
 - \$A7.2m to 24 non-profits focused on direct relief efforts providing critical food, medical support, humanitarian relief kits and information to vulnerable groups affected by COVID-19
 - \$A8.5m to eight organisations supporting workers and businesses in restarting economic activity
 - \$A2.0m to public health and clinical research

We balanced our support for urgent direct relief needs, research and investment while also being flexible in our support for existing community partners that have had to quickly respond to change and the increased demand on their services.

COVID-19 donation

\$A20m

Allocated

\$A17.7m



3Q21

Overview

- Improved trading conditions in 3Q21 across the Group
- Macquarie's annuity-style businesses' (MAM and BFS) combined 3Q21 net profit contribution¹ up on the prior corresponding period (pcp) (3Q20)
 - FY21 year to date (YTD)² net profit contribution broadly in line with FY20 YTD² mainly due to: base and performance fees in MAM broadly in line; partially offset by BFS margin pressure, increased credit impairment charges, and higher costs to support clients as a result of COVID-19, albeit with continued volume growth
- Macquarie's markets-facing businesses' (CGM and MacCap) combined 3Q21 net profit contribution¹ which included the partial sale of Macquarie's interest in Nuix significantly up on pcp
 - FY21 YTD² net profit contribution broadly in line with FY20 YTD² primarily due to: stronger activity across the majority of businesses in CGM, inclusive of income recognition timing associated with transportation and storage agreements; partially offset by lower fee revenue and principal income in Macquarie Capital, albeit with a reduction in expenses

1. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. 2. YTD refers to the nine months to 31 Dec for the relevant year.



3Q21

Overview

Annuity-style businesses

Macquarie Asset Management

~47%

1H21 contribution¹

- AUM of \$A550.9b at Dec 20, down 1% on Sep 20
- MIM: \$A360.6b in AUM, up 3% on Sep 20, primarily driven by market movements and positive net flows, partially offset by foreign exchange
- MIRA: \$A137.1b in EUM², down 2% on Sep 20, driven by equity returned and foreign exchange, partially offset by new equity raised
 - 3Q21: \$A6.6b in new equity raised, \$A3.4b of equity invested and \$A6.6b of asset divestments. \$A25.7b of equity to deploy at Dec 20
- MIM entered into an agreement to acquire Waddell & Reed Financial, Inc. On closing, MAM will retain Waddell & Reed's asset management business and sell its wealth management platform to LPL Financial (LPL), resulting in an increase of ~\$US68b in AUM
- Macquarie Infrastructure Partners (MIP) II reached financial closure on the divestment of its final asset, Elizabeth River Tunnels
- Macquarie Infrastructure Corporation (MIC) sold International-Matex Tank Terminals resulting in the MIC board of directors authorising a special dividend of \$US11.00 per share
- Formal integration of GLL successfully completed in the quarter
- Macquarie AirFinance (50% owned and managed by MQG) – continues to face headwinds and to work with airlines to provide relief in response to their revenue challenges

Banking and Financial Services

~14%

1H21 contribution¹

- Total BFS deposits³ of \$A76.3b at Dec 20, up 3% on Sep 20
- Home loan portfolio of \$A62.6b at Dec 20, up 9% on Sep 20
- Funds on platform⁴ of \$A97.3b at Dec 20, up 9% on Sep 20
- Business banking loan portfolio of \$A9.4b at Dec 20, up 5% on Sep 20
- Vehicle finance portfolio⁵ of \$A12.0b at Dec 20, down 3% on Sep 20
- 1.3% of BFS clients, by loan balance, accessing assistance at 31 Dec 20

1. Based on 1H21 net profit contribution from operating groups as reported on 6 Nov 20. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. 2. MIRA's total EUM includes market capitalisation at measurement date for listed funds, the sum of original committed capital less capital subsequently returned for unlisted funds and mandates as well as invested capital for managed businesses. 3. BFS deposits exclude corporate/wholesale deposits. 4. Funds on platform include Macquarie Wrap and Vision. 5. Includes general plant and equipment.



3Q21

Overview

Markets-facing businesses

use

Commodities and Global Markets

~47%

1H21 contribution¹

- Strong client hedging and trading activity across the commodities platform driven by market dislocations and increased volatility, particularly from the oil, gas, and precious metals markets businesses
- Continued client activity in foreign exchange, credit and interest rates
- Increased client activity in Equity Derivatives and Trading, particularly in Asia and Europe
- Consistent performance from asset finance portfolio principally from the UK energy markets business. Established joint venture with Mitsubishi UFJ to grow Australian Technology, Media and Telecoms business
- Maintained ranking as No. 2 physical gas marketer in North America²
- No.1 Futures Broker on the ASX³

Macquarie Capital

(~8%)

1H21 contribution¹

- 100 transactions valued at \$A58.4b⁴ completed globally, down on pcp
- Fee revenue down on pcp across advisory and DCM, marginally offset by ECM. Investment-related income up significantly on pcp
- Continued focus on green energy:
 - Over 250 projects under development and construction, with a pipeline of more than 30GW⁵
 - Investment across the green energy project lifecycle with 7 projects reaching FID, with a further 7 projects becoming operational⁶
 - Introduced investors into over 1.1GW projects as they reached FID or COD⁶
- No. 1 in ANZ for ECM⁷, IPOs⁸ and M&A⁹ in CY20
- Partial realisation of our interest in Nuix through an ASX IPO valuing the business at \$A1.8b. Macquarie acted as Joint Lead Manager, Bookrunner and Underwriter to the IPO, the largest ASX IPO in CY20¹⁰
- Acted as exclusive sell-side adviser on the sale of Exemplar Health Care, a UK provider of specialty care for adults with high acuity health needs, to an Ares Management Corporation managed fund
- Principal Finance committed over \$A3.4b FY21 YTD through focused investing in credit markets and providing bespoke financing solutions to sponsor portfolio companies and corporate clients across a range of industry sectors
- First acquisition in South America, a majority interest in the 206km Briceño-Tunja-Sogamoso operating toll road, one of Colombia's most critical road infrastructure assets, serving ~17m users per year
- Macquarie Electronic Execution achieved top Greenwich Asia Equities rankings with long only investors in 2020¹¹

1. Based on 1H21 net profit contribution from operating groups as reported on 6 Nov 20. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. 2. S&P Global Platts 3Q 2020. 3. ASX Futures 24 (SFE) Monthly Report Dec 20. 4. Source: Dealogic and IJGlobal for Macquarie Group completed M&A, investments, ECM and DCM transactions converted as at the relevant report date. Deal values reflect the full transaction value and not an attributed value. 5. At 31 Dec 20. 6. 1 Apr 20 – 31 Dec 20. 7. Dealogic (ex-blocks & by value). 8. Dealogic (by value). 9. Dealogic (completed by value). 10. Dealogic (ASX IPOs by value). 11. ex-Japan and Australia.



Macquarie's global footprint

Total staff¹

16,429

56%

International staff

Americas

Staff

2,700

CANADA

Calgary
Montreal
Toronto
Vancouver

LATIN AMERICA

Mexico City
Sao Paulo
Santiago

USA

Boise
Boston
Chicago
Dallas
Houston
Jacksonville
Los Angeles
Minneapolis
Nashville
New York

Orlando
Philadelphia
San Diego
San Francisco
San Jose
Seattle
Walnut Creek

EMEA

Staff

2,441

EUROPE

Amsterdam
Braintree
Coventry
Dublin
Edinburgh
Frankfurt
Geneva
Limerick
London
Luxembourg
Madrid
Munich
Paris
Reading

Solihull
Vienna
Watford
Zurich

MIDDLE EAST

Dubai

SOUTH AFRICA

Cape Town
Johannesburg

Asia

Staff

4,117

ASIA

Bangkok
Beijing
Gurugram
Hong Kong
Hsin-Chu
Jakarta
Kuala Lumpur

Manila
Mumbai
Seoul
Shanghai
Singapore
Taipei
Tokyo

Australia²

Staff

7,171

AUSTRALIA

Adelaide
Brisbane
Canberra
Gold Coast
Manly
Melbourne

Newcastle
Parramatta
Perth
Sydney

NEW ZEALAND

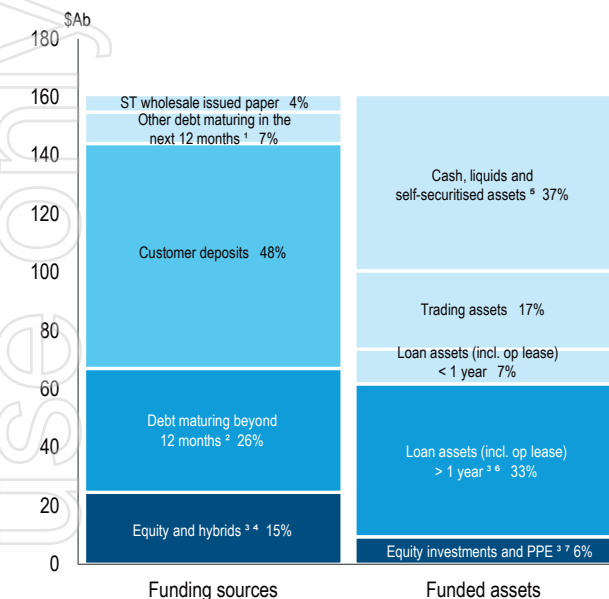
Auckland



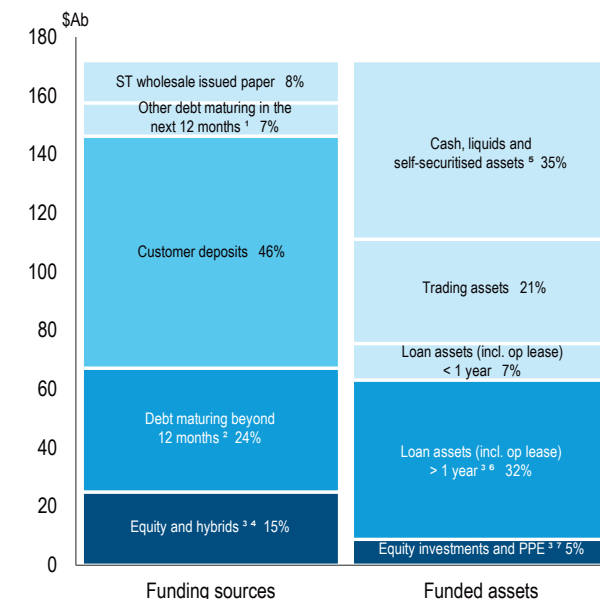
Funded balance sheet remains strong

Term liabilities exceed term assets

30 Sep 20



31 Dec 20



TOTAL CUSTOMER DEPOSITS

\$A79.0b

▲ 2%

FROM SEP 20

TERM FUNDING RAISED⁸

\$A4.9b

SINCE SEP 20

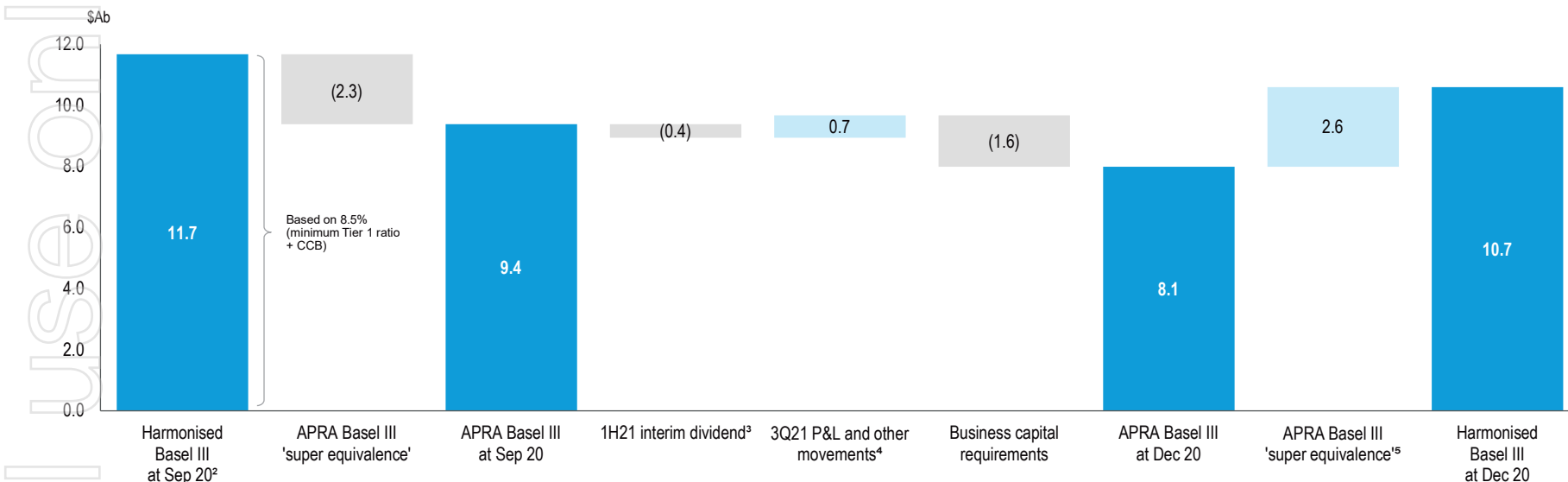
These charts represent Macquarie's funded balance sheets at the respective dates noted above. 1. 'Other debt maturing in the next 12 months' includes Secured funding, Bonds, Other loans, Subordinated debt and Net trade creditors. 2. 'Debt maturing beyond 12 months' includes Subordinated debt, Structured notes, Secured funding (including drawn RBA Term Funding Facility), Bonds, Syndicated loan facilities and Other loans not maturing within next 12 months. 3. Non-controlling interests are netted down in 'Equity and hybrids', 'Equity investments and PPE' and 'Loan assets (incl. op lease) > 1 year'. 4. Hybrid instruments include Macquarie Additional Capital Securities, Macquarie Capital Notes 2, 3 and 4 and Macquarie Bank Capital Notes 2. 5. 'Cash, liquids and self-securitised assets' includes self-securitisation of repo eligible Australian assets originated by Macquarie, a portion of which Macquarie can utilise as collateral in the Reserve Bank of Australia's Committed Liquidity Facility (CLF) and Term Funding Facility (TFF). 6. 'Loan Assets (incl. op lease) > 1 year' includes Debt investment securities. 7. 'Equity investments and PPE' includes Macquarie's co-investments in Macquarie-managed funds and other equity investments. 8. Issuances cover a range of tenors, currencies and product types and are AUD equivalent based on FX rates at the time of issuance and include undrawn facilities (does not include undrawn accessible TFF Allowances).



Basel III capital position

- APRA Basel III Group capital at Dec 20 of \$A24.9b; Group capital surplus of \$A8.1b¹
- APRA Basel III CET1 ratio: 12.1%; Harmonised Basel III CET1 ratio: 15.5%

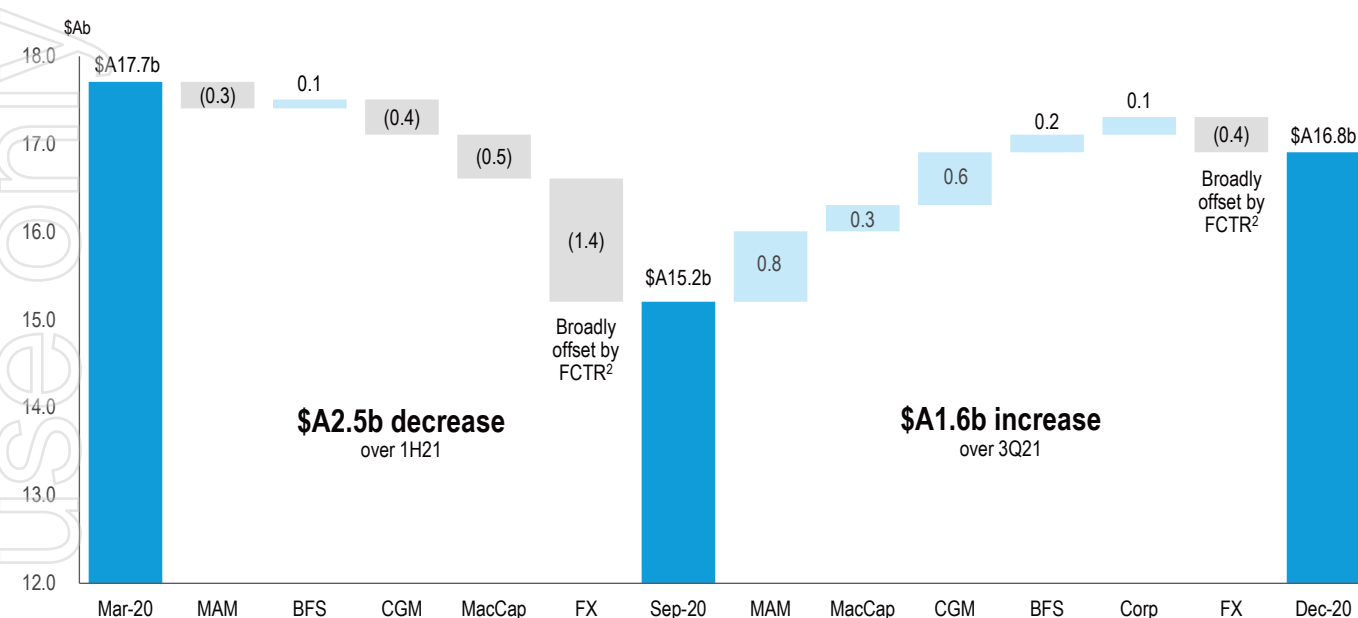
Group regulatory surplus: Basel III (Dec 20)



1. Calculated at 8.5% RWA including the capital conservation buffer (CCB), per APRA ADI Prudential Standard 110. Based on materiality, the 8.5% used to calculate the Group capital surplus does not include the countercyclical capital buffer (CCyB) of ~1bps. The individual CCyB varies by jurisdiction and the Bank Group's CCyB is calculated as a weighted average based on exposures in different jurisdictions. 2. Basel III applies only to the Bank Group and not the Non-Bank Group. 'Harmonised' Basel III estimates are calculated in accordance with the BCBS Basel III framework. 3. Offset by Dividend Reinvestment Plan issuance. 4. Includes current quarter P&L, movement in the foreign currency translation reserve and other movements in capital supply. 5. APRA Basel III 'super-equivalence' includes the impact of changes in capital requirements in areas where APRA differs from the BCBS Basel III framework, including the treatment of mortgages \$A1.0b; capitalised expenses \$A0.5b; equity investments \$A0.3b; investment into deconsolidated subsidiaries \$A0.2b; DTAs \$A0.6b.



Business capital requirements¹



3Q21 KEY DRIVERS

MAM

- Waddell & Reed

Macquarie Capital

- Principal Finance lending activity, new investments and DCM underwriting positions; offset by asset realisations

CGM

- Derivatives trading volumes in addition to loans and commitments

BFS

- Growth in residential mortgages and Business Banking portfolio, partially offset by runoff in vehicles financing

Corporate

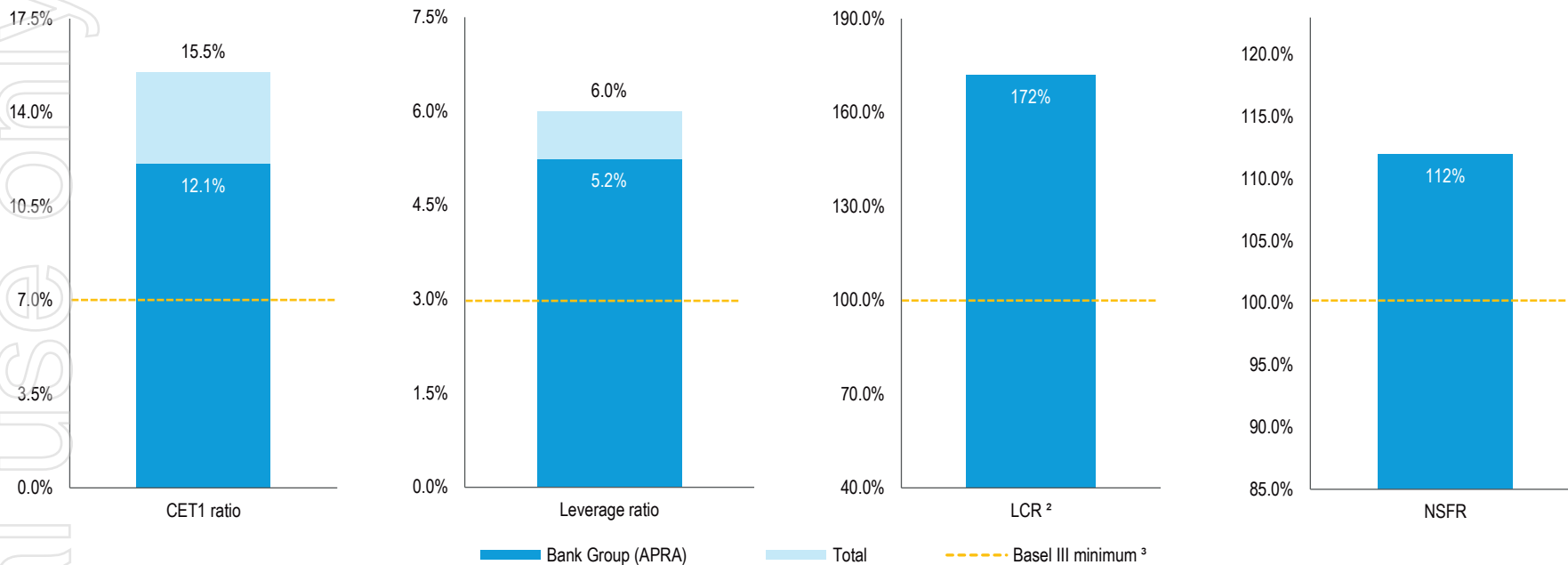
- Transfer of the Group shared services entities, from the Non-Bank to the Bank

1. Regulatory capital requirements are calculated at 8.5% RWA. 2. The foreign currency translation reserve (FCTR) forms part of capital supply and broadly offsets FX movements in capital requirements.



Strong regulatory ratios

Bank Group (Dec 20)



1. 'Harmonised' Basel III estimates are calculated in accordance with the BCBS Basel III framework. 2. Average LCR for Dec 20 quarter is based on an average of daily observations. 3. Includes the capital conservation buffer in the minimum CET1 ratio requirement. APRA has released a draft update to 'Prudential Standard APS 110 Capital Adequacy' proposing a minimum requirement for the leverage ratio of 3.5% effective Jan 23.



Regulatory update

Australia

- On 8 Dec 20, APRA released for consultation its revisions to the capital framework for ADIs¹. The changes are aimed at embedding 'unquestionably strong' levels of capital, APRA's stated objectives of the revisions include:
 - greater risk sensitivity within the risk weighting framework, including more differentiated risk weights for different types of mortgages and reduced risk weights for small business lending;
 - providing for ADIs to hold a larger share of their required capital as buffers, enhancing the ability of the framework to respond flexibly to future stress events; and
 - improving the transparency of the framework by requiring all ADIs to disclose their capital ratios on a common basis, and making it easier to reconcile the Australian framework with international standards.
- The status of the relevant regulatory changes is shown in the table below

Regulatory Change	Status	Compliance date
APS 110 (Capital Floor, CCB, CCyB, Leverage ratio)	Draft standard released 8 Dec 20	
APS 112 (Standardised credit risk)	Draft standard released 8 Dec 20	
APS 113 (IRB credit risk)	Draft standard released 8 Dec 20	1 Jan 23
APS 115 (Operational risk)	Standard finalised 11 Dec 19	
APS 117 (IRRBB)	Draft standard released 4 Sep 19	
APS 116 (FRTB)	Waiting for draft standard to be released	1 Jan 24
APS 111 (Capital treatment of banking and insurance subsidiaries)	Draft standard released 15 Oct 19, expected to be finalised 2021	TBA
APS 220 (Credit risk management)	Standard finalised 12 Dec 19, further revisions in consultation due 29 Jan 21	1 Jan 22
APS 222 (Associations with related entities)²	Standard finalised 20 Aug 19	

- Based on current information available, it remains Macquarie's expectation that it will have sufficient capital to accommodate likely additional regulatory Tier 1 capital requirements as a result of the proposed changes. Noting that some of them are at an early stage of review and hence the final impact is uncertain
- As previously noted, APRA is in discussions with Macquarie on resolution planning and intragroup funding. These discussions are progressing and as part of the discussions, MGSA, the main Group shared services entity for both the Bank and Non-Bank groups, was transferred to the Bank Group in Nov 20
- On 12 Nov 20, APRA released its revised remuneration standard for consultation, with responses due 12 Feb 21³. The new standard requires boards to strengthen incentives to manage non-financial risks, regularly assess for risk management failings and have deferral arrangements that allow boards to reduce remuneration for poor risk outcomes. The new CPS 511 is scheduled to be finalised in mid-2021 and to come into effect on 1 Jan 23. Increased disclosure requirements will also be required, defined through a future consultation expected late 2021
- On 17 Nov 20, APRA confirmed it intends to grant Macquarie a 12-month period of transition to 1 Jan 23 in relation to APS 222. Macquarie will undertake some restructuring of existing business activities and legal entities as a result of APS 222, however Macquarie does not anticipate this will have a material impact on results
- On 9 Dec 20, APRA announced the commencement of a further consultation for revisions to APS 220. These revisions are contingent on the Government's proposed consumer credit reforms passing legislation, where ADIs would no longer be subject to Responsible Lending Obligations which had been administered by ASIC⁴. APRA proposes to bring forward the implementation date for APS 220 to align to the reforms' commencement date, if earlier than 1 Jan 22, but not before 1 Apr 21
- On 15 Dec 20, APRA provided updated capital management guidance. From 1 Jan 21, while APRA will expect ADIs to continue to moderate dividend payout ratios and consider the use of dividend reinvestment plans (DRPs) and/or other capital management initiatives, APRA will no longer hold ADIs to a minimum level of earnings retention⁵

¹ 'APRA seeks to enhance flexibility and resilience of ADI capital framework'; 8 Dec 20. ² 'APRA announces new commencement dates for prudential and reporting standards'; 16 Apr 20. ³ 'APRA releases revised remuneration standard for consultation'; 12 Nov 20. ⁴ 'APRA issues letter to ADIs on potential changes to credit risk management'; 9 Dec 20. ⁵ 'APRA updates capital management guidance and releases ADI stress test results'; 15 Dec 20.



Regulatory update

Germany

- Macquarie continues to respond to requests for information about its historical activities as part of the ongoing, industry-wide investigation in Germany relating to dividend trading
- As previously noted, the German authorities have designated as suspects approximately 100 current and former Macquarie staff in total, most of whom are no longer at Macquarie
- The total amount at issue is not material and MGL has provided for the matter

Brexit

- In Dec 20 agreement was reached between the UK and the European Union (EU) on a new Trade and Cooperation Agreement and the UK withdrawal from the EU took effect
- As previously stated, Macquarie does not believe that the UK's withdrawal from the EU will be a material event for the Group
- Macquarie is now operating with all required European licences in place, including a new MiFID investment firm licence in France
- Macquarie has a longstanding and deep commitment to the UK as the hub for the EMEA region's operations and this will continue to be the case. Macquarie has been in the UK for 31 years with over 1,900 staff based there as at 31 Dec 20



Board and Management Update

Macquarie Group and Macquarie Bank Boards



Gordon Cairns



Rebecca McGrath



Mike Roche

After more than six years on the MGL and MBL Boards, Gordon Cairns will step down on 7 May 21. In November 20, Mr Cairns agreed to extend his tenure to accommodate evolution of the Boards, which occurred with the appointment of Rebecca McGrath and Mike Roche in Jan 21.

Macquarie Bank Limited



Mary Reemst



Stuart Green

After 22 years with Macquarie, Mary Reemst has decided to retire from her role as Managing Director and Chief Executive Officer of MBL, from the MBL Board and from the MGL and MBL Executive Committees, effective 1 Jul 21. Ms Reemst, who has been on the Executive Committees for seven years, also serves as the Chair of the Macquarie Group Foundation.

From 1 Jul 21, and subject to regulatory approvals, Stuart Green will become Managing Director and Chief Executive Officer of MBL and join the MBL Board and MGL and MBL Executive Committees. Mr Green has been with Macquarie for 20 years, serving as Group Treasurer since Aug 13.

Macquarie Asset Management



Martin Stanley



Ben Way

After 16 years with Macquarie, Martin Stanley has decided to step down as Group Head of MAM and from the Executive Committee, effective 1 Apr 21. Mr Stanley, who has been on the Executive Committee for two years, will become Chairman of MAM and remain on the regional infrastructure fund investment committees and as Chairman of the Board of Directors of the NYSE-listed Macquarie Infrastructure Corporation (NYSE: MIC).

Ben Way will become Group Head of MAM and join the Executive Committee. Mr Way, who has been with Macquarie for 14 years and is a member of Macquarie's Management Committee, currently leads the Global Alternatives division in MAM and is also Macquarie Group's Asia CEO. Mr Way will continue to be based in Hong Kong.



Factors impacting short-term outlook

Annuity-style businesses

Non-Banking Group

Macquarie Asset Management (MAM)

- Base fees expected to be broadly in line with FY20
- Net Other Operating Income¹ expected to be significantly down, due to strong realisations in FY20 and prolonged impact of COVID-19 on Macquarie AirFinance customers

Banking Group

Banking and Financial Services (BFS)

- Ongoing monitoring of provisioning to support clients in the COVID-19 environment
- Higher deposit and loan portfolio volumes in FY21
- Platform volumes subject to market movements
- Competitive dynamics to continue to drive margin pressure

Markets-facing businesses

Non-Banking Group

Macquarie Capital² (MacCap)

- Transaction activity improving, although challenging markets continue to impact the time to completion for many deals. Strong ECM activity in Australia through 1H21 has not continued in 2H21 to date
- FY21 expected to be significantly down on FY20, however 2H21 expected to be significantly up on 2H20

Banking Group

Commodities and Global Markets³ (CGM)

- 2H21 market conditions expected to be more favourable than previously anticipated given increased levels of volatility experienced in 3Q21
- We now expect 2H21 to be slightly down on 1H21
- Consistent contribution from Specialised and Asset Finance linked to annuity flows; notwithstanding reduction in balance sheet
- Product and client sector diversity expected to provide some support through ongoing uncertain economic conditions in FY21

Corporate

- Compensation ratio expected to be within the range of historical levels
- The FY21 effective tax rate is expected to be broadly in line with FY20



Short-term outlook

Market conditions are likely to remain challenging, especially given the significant and unprecedented uncertainty caused by the worldwide impact of COVID-19 and the uncertain speed of the global economic recovery, making short-term forecasting extremely difficult

We currently anticipate the FY21 result to be slightly down on FY20¹

The range of factors that will influence our short-term outlook include:

- The duration and severity of the COVID-19 pandemic
- The uncertain speed of the global economic recovery
- Global levels of government support for economies
- Completion of period-end reviews including asset impairment and expected credit loss allowances
- The completion rate of transactions
- Geographic composition of income
- The impact of foreign exchange
- Potential tax or regulatory changes and tax uncertainties
- Market conditions and the impact of geopolitical events

We continue to maintain a cautious stance, with a conservative approach to capital, funding and liquidity that positions us well to respond to the current environment

1. Pursuant to ASX Guidance Note 8, as revised on 9 Dec 20, Macquarie states that (i) the anticipated FY21 result to which the above guidance relates, is expected to differ materially from the current range of current analysts' consensus and (ii) this 2021 Operational Briefing Presentation explains the main factors as to why the anticipated FY21 result may differ to market expectations.



Medium-term outlook

Macquarie remains well-positioned to deliver superior performance in the medium term

Deep expertise in major markets

Build on our strength in business and geographic diversity and continue to adapt our portfolio mix to changing market conditions

- Annuity-style income is primarily provided by two Operating Groups' businesses which are delivering superior returns following years of investment and acquisitions
 - Macquarie Asset Management and Banking and Financial Services
- Two markets-facing businesses well positioned to benefit from improvements in market conditions with strong platforms and franchise positions
 - Commodities and Global Markets and Macquarie Capital

Ongoing program to identify cost saving initiatives and efficiency

Strong and conservative balance sheet

- Well-matched funding profile with minimal reliance on short-term wholesale funding
- Surplus funding and capital available to support growth

Proven risk management framework and culture



Medium term

Annuity-style businesses

Non-Banking Group

Macquarie Asset Management (MAM)

- Leading specialist global asset manager, well-positioned to respond to current market conditions and grow assets under management through its diversified product offering, track record and experienced investment teams

Banking Group

Banking and Financial Services (BFS)

- Growth opportunities through intermediary and direct retail client distribution, platforms and client service
- Opportunities to increase financial services engagement with existing business banking clients and extend into adjacent segments
- Modernising technology to improve client experience and support growth

Markets-facing businesses

Non-Banking Group

Macquarie Capital¹ (MacCap)

- Positioned to benefit from recovery in transaction activity
- Continues to tailor the business offering to current opportunities and market conditions including providing flexible capital solutions across sectors and regions
- Opportunities for project development and balance sheet investment by the group and in support of partners and clients subject to market conditions

Banking Group

Commodities and Global Markets² (CGM)

- Opportunities to grow commodities business, both organically and through acquisition
- Development of institutional and corporate coverage for specialised credit, rates and foreign exchange products
- Tailored financing solutions globally across a variety of industries and asset classes
- Continued investment in asset finance portfolio
- Growing client base across all regions

¹ Certain activities of the Equities business are undertaken from within the Banking Group. ² Certain assets of the Credit Markets business and certain activities of the Commodity Markets and Finance business and some other less financially significant activities are undertaken from within the Non-Banking Group.



Approximate business Basel III Capital and ROE

30 Sep 20

Operating Group	APRA Basel III Capital ¹ @ 8.5% (\$Ab)	Approx. 1H21 Return on Ordinary Equity ²	Approx. 14-year Average Return on Ordinary Equity ³
Annuity-style businesses	6.6		
Macquarie Asset Management	2.2		
Banking and Financial Services	4.4	24%	22%
Markets-facing businesses	8.0		
Commodities and Global Markets	4.6		
Macquarie Capital	3.4	10%	16%
Corporate	0.6		
Total regulatory capital requirement @ 8.5%	15.2		
Group surplus	9.4		
Total APRA Basel III capital supply	24.6⁴	9.5%	14%

Note: Differences in totals due to rounding. 1. Operating Group capital allocations are based on 30 Jun 20 allocations adjusted for material movements over the Sep 20 quarter. 2. NPAT used in the calculation of approximately 1H21 ROE is based on Operating Groups' annualised net profit contribution adjusted for indicative allocations of profit share, tax and other corporate items. Accounting equity is attributed to businesses based on regulatory capital requirements which are based on the quarterly average capital usage from FY07 to FY20, inclusive. 3. 14-year average covers FY07 to FY20, inclusive, and has not been adjusted for the impact of business restructures or changes in internal P&L and capital attribution. 4. Comprising of \$A20.5b of ordinary equity and \$A4.1b of hybrids.

Internal use only

Q&A

Internal use only

03

Macquarie Asset Management

Martin Stanley
Group Head

mal use only



Through our specialist investment expertise across public and private markets, we empower people to innovate and invest for a better future



Build relationships and raise capital

Invest capital and deliver performance

Develop our people and platform

Manage risk and operate efficiently



Alternatives

Infrastructure

Real Estate

Private Credit

Renewables

Agriculture

Transportation
Finance

Fixed Income

Equities

Multi-asset

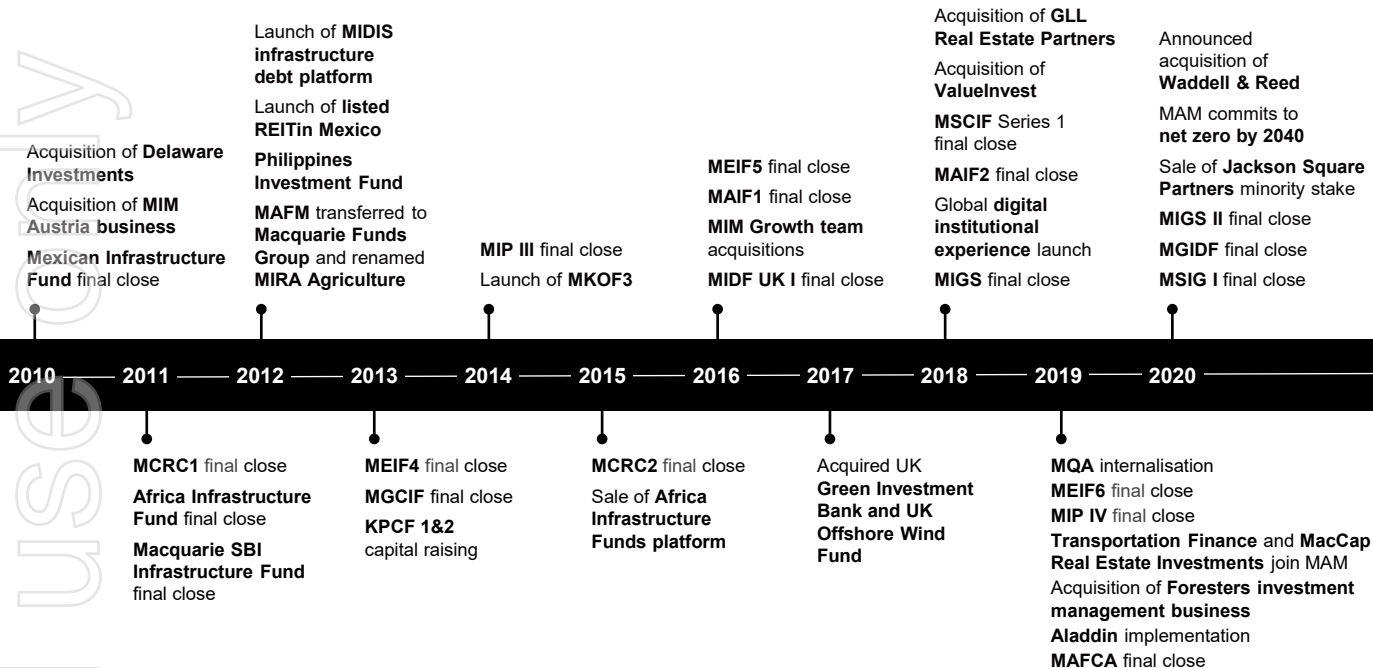
Global solutions

Public markets

Investing to deliver positive impact for everyone



Actively evolving the platform over time



MAM AUM¹
\$A550.9b

Top 50
global asset manager⁵

Macquarie Infrastructure and Real Assets (MIRA)

\$A137.1b

EUM¹
(up 277% over ten years)

14%

realised asset IRR³

\$A25.7b

equity to deploy¹

No.1

infrastructure manager globally⁶

Over the past five years⁴

\$A93.0b **\$A75.6b** **\$A42.5b**

capital raised

capital invested

asset divestments⁹

Macquarie Investment Management (MIM)

\$A360.6b

AUM¹
(up 75% over ten years)

Top 10

global insurance asset manager⁷

86%

of funds exceeding ten-year benchmarks²

Top 25

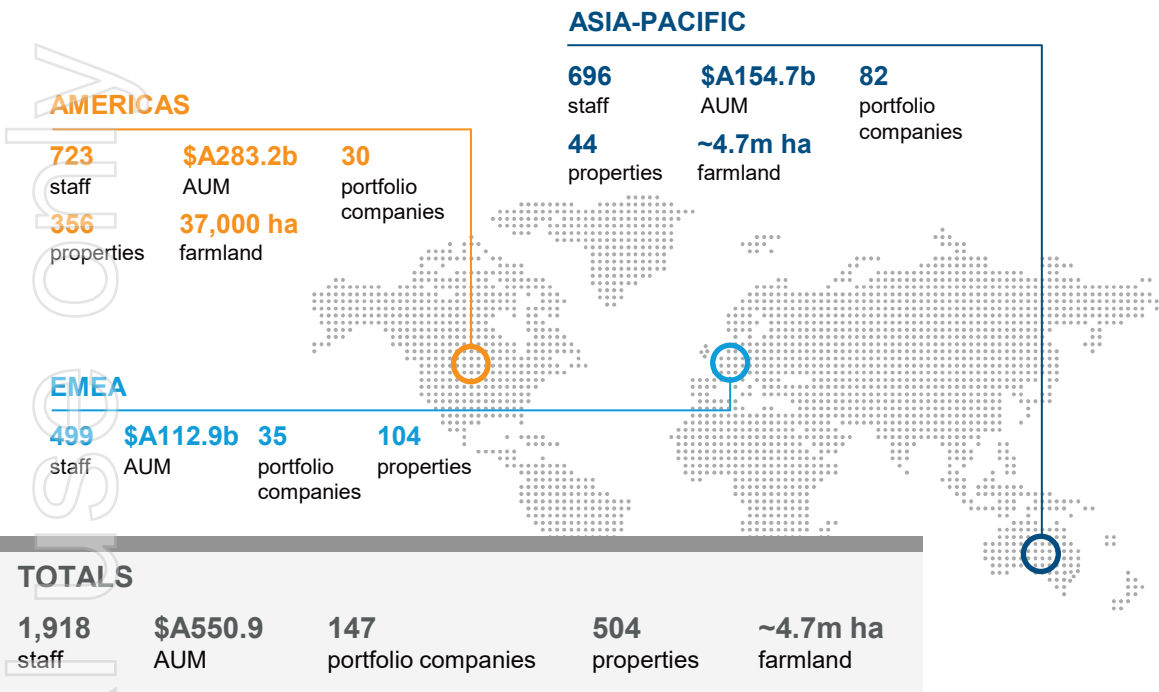
actively managed US mutual fund manager⁸

1. As at 31 Dec 20. 2. Percentage of assets under management outperforming their respective benchmarks on a 10-year basis. Data as at 31 Dec 20. 3. As at 30 Sep 20. Calculated as the annualised return across all infrastructure portfolio businesses realised to third parties, including all equity investments and realised proceeds. Excludes unrealised returns for infrastructure businesses no longer managed by MIRA funds due to fund level initiatives, such as the restructure or internalisation of management functions, and the sale of management rights. Cash flows are converted to AUD applying the spot FX rate as at the date of each fund's acquisition of the relevant portfolio business. Past performance is not indicative of future results. Returns on realised infrastructure businesses represent returns to the applicable fund. The figures or performance, as applicable, do not represent returns to underlying investors in the funds. Does not reflect management fees, performance fees, taxes and other expenses to be borne by investors in the applicable funds, which may be substantial. 4. Metrics include five years from Jan 16 to Dec 20. 5. P&I Largest Money Managers 2019, published in Jun 20. 6. IPE Real Assets (Jul/Aug 20). 7. Insurance AUM Journal, 2019 Insurance Asset Management Leaders published 2019. 8. As at 31 Dec 20 - Strategic Insight, Morningstar. 9. Excludes \$A2.8b of equity proceeds returned to investors in Jan 21.



Global platform, local presence

Providing access to investment opportunities for our clients and partners.



Diverse team of professionals

Global staff

1,918
staff

39
languages spoken

Alternatives investment professionals

310
infrastructure
professionals

15
agriculture
professionals

207
real estate
professionals

53
private credit
professionals

15
transportation finance
professionals

Public markets investment professionals

114
fixed income
investment professionals

105
equity investment
professionals

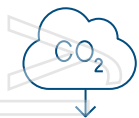
13
multi asset investment
professionals

2
alternatives investment
professionals



Building sustainable value for clients and communities

Leadership in sustainability is driven by our people



MAM announces
**net zero by 2040
commitment**



~12.5 GW
green generation capacity
managed globally



120,000+
employees and contractors
at MIRA portfolio companies



~100 m
people use MIRA-managed
essential services daily



Signatory since 2015¹



Member since 2016²



Signatory since 2020³

Enhancing resilience of infrastructure



Geo-hazard early warning systems and weather-resilient cooling towers at geothermal plant in the Philippines



Technology to monitor vegetation encroachment on power lines to reduce risk of bushfires in Australia



Under grounding 26,000km of electricity cables in Finland to minimise disruption caused by extreme weather events



Precision farming techniques being used to improve soil health and combat land degradation in Australia



Led the construction of flood barriers prior to taking ownership of an asset in the United States



Resilient performance in the face of COVID-19



Portfolio performance has been resilient outside of aviation sector



Activity levels have remained high across the platform

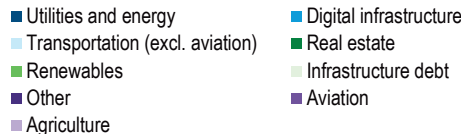
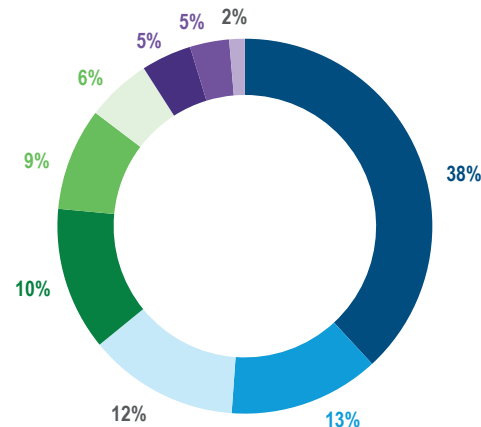


Strong fundraising activity with \$A15.5b capital raised since Mar 20



Flexible working culture has ensured team **resiliency and continued outcomes**

Our alternatives portfolio¹



Utilities and energy: 38%

Critical nature of services supports continued resilience. Electricity demand not materially impacted. Continued focus on energy transition



Digital infrastructure: 13%

Remote and flexible work practices supporting increased usage and demand for connectivity



Transportation (excl. aviation): 12%

Road traffic has rebounded following earlier impacts. Port volumes following economic cycle, with resilient goods sector and normalising trade driving rebound



Real estate: 10%

Online shift supporting resilience of logistics/industrial real estate. Mixed impact on office with WFH offset by rising space per worker due to social distancing



Renewables: 9%

Continued generation, albeit with lower power prices in some areas (partially offset by regulatory/revenue support). Delays to some construction projects due to supply chains



Aviation: 5%

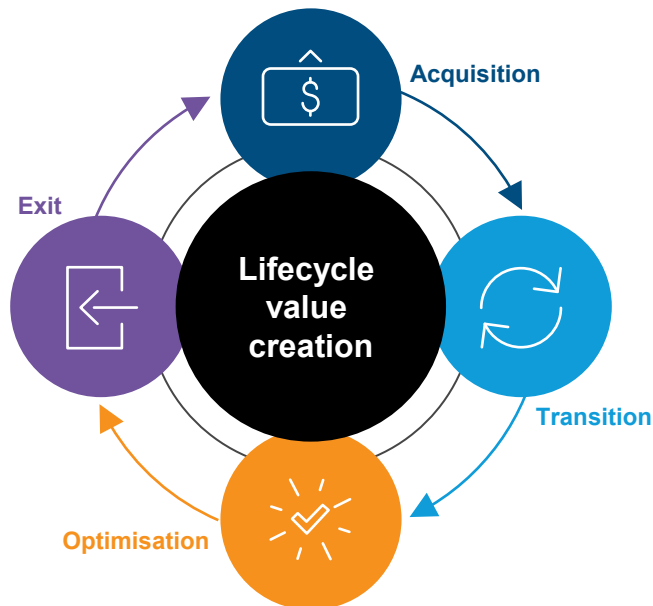
Airports serving commercial aviation sector materially impacted by travel restrictions. Macquarie Air Finance working closely with customers and stakeholders

¹. Based on AUM at 31 Dec 20.



Adding value throughout the investment lifecycle

- Long-term investment approach, delivering positive outcomes for clients, portfolio companies and communities
- Boutique active public investments teams with deep sectoral expertise across equities and fixed income.
- Diverse alternatives team with deep industry and operational experience to manage and enhance real asset businesses
- Global scale, technical expertise and networks allow us to undertake increasingly complex transactions
- ESG considerations embedded within our investment decision making and asset management frameworks



CASE STUDY

Philippine Coastal Storage & Pipeline Corporation

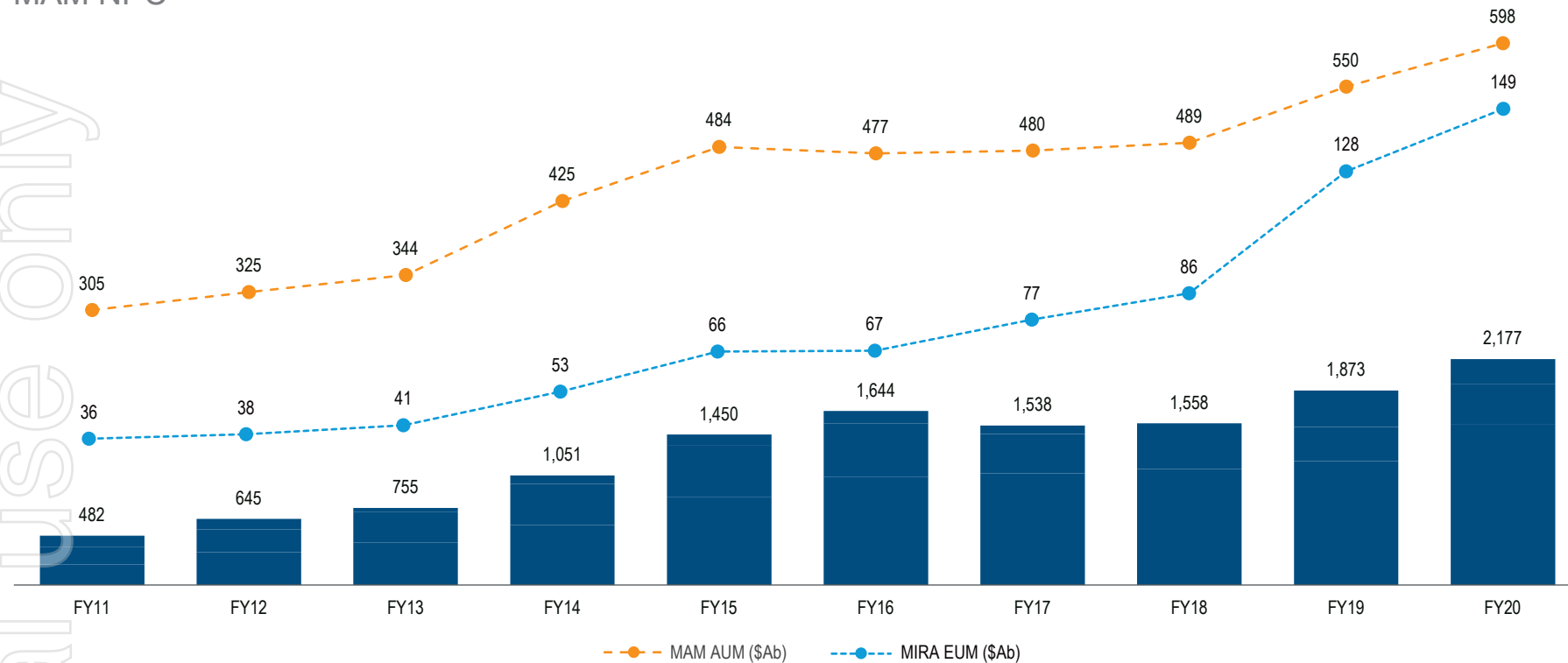
Supported the development of the Philippines' largest oil storage terminal over a six-year investment

- Elevated employee **health and safety** practices to international standards
- Put in place **senior leadership team** and governance structure
- Led numerous **expansions**, increasing capacity from 4.7m to 6.0m barrels
- **Optimised capital structure** to underpin long-term growth
- Generated **EBITDA CAGR of 8%**
Divested in Jan 2021, delivering a **28% IRR / 4.0x money multiple**



A long-term history of growth

MAM NPC



Internal use only

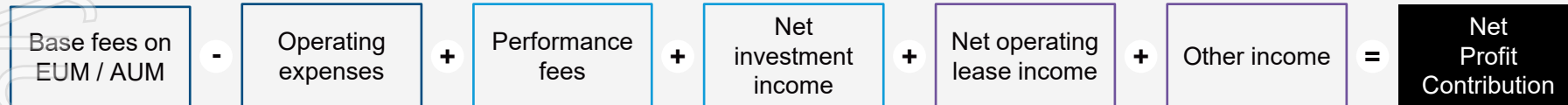


Composition of income

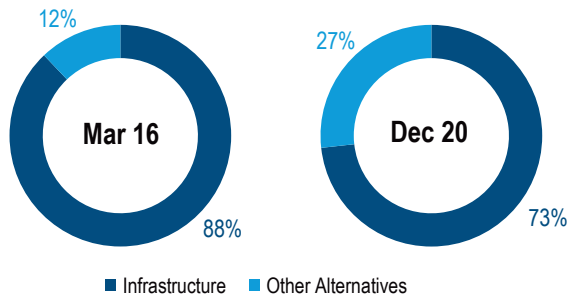
Asset Management Net Income (AMNI)

Performance-related Income (PRI)

Net Other Income (NOI)

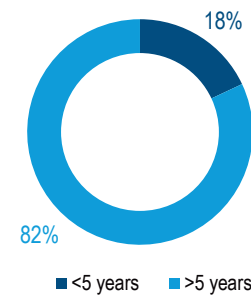


MIRA EUM composition¹

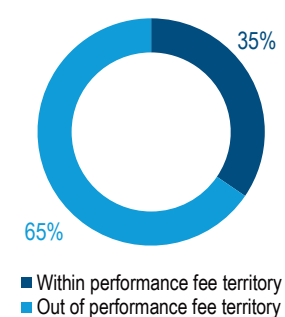


Other Alternatives projected to continue to grow as a proportion of total EUM by FY30

MIRA EUM maturity¹



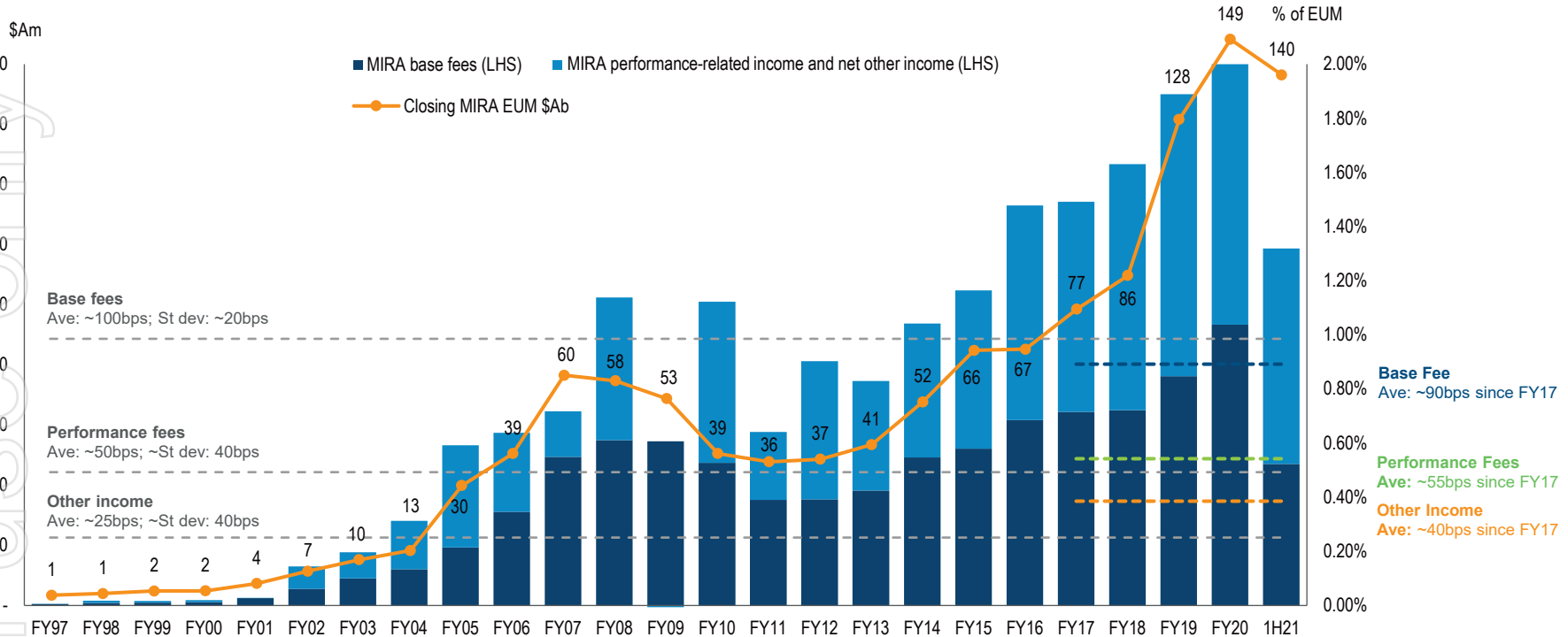
MIRA EUM in Performance fee territory²



1. Total EUM as at 31 Dec 20. 2. EUM with performance fee structure presently in performance fee territory as at 30 Sep 20.



MIRA Historical Income





Our risk management approach

Strong risk culture and effective risk management

Macquarie Asset Management has a strong focus on its **fiduciary responsibilities** and a **client-centric culture** embedded in its businesses and senior leadership teams



Disciplined approach

A disciplined approach to risk management underpinned by a strong **culture, conduct mindset** and **control environment**.

Risk is owned and managed at the business level with **independent oversight** provided by Macquarie's Risk Management Group.



Resilient risk culture

COVID-19 has both **tested** and **demonstrated** the strength of our risk culture.

Our focus on risk and the interests of our **clients** and **stakeholders** has continued throughout, with staff owning risk across our teams and investments in a rapidly evolving environment.



Risk management

We manage a broad range of **financial** and **non-financial risks** at both the corporate and fund level with robust due diligence, strong governance, portfolio management and stress testing.

Work health and safety is at the forefront of our asset management strategy.

Internal use only

Delivering positive impact

A focused strategy for the future

Ben Way

Head of MIRA – Global Alternatives

Shawn Lytle

Global Head of Macquarie Investment Management



Market environment



AUM net inflows



Allocation diversification



Importance of technology



Fee compression



Search for alpha and yield



Focus on responsible investment



Desire for strategic partnerships



Increased expectations for client experience

More than
\$US17t
alternative assets
AUM by 2025²

~80%
of investment managers
expect to see **greater**
influence of ESG in
investment practices
by 2025¹

\$US501b
global energy transition
investment in 2020³

US retail represents
31%
of the revenue
opportunity from
2020-2024⁴



Building on the past and investing for the future

Maintaining momentum with a focused growth strategy



Build on

**our leading position
in infrastructure**



Grow

**our alternatives
offerings**



Advance

**our public
investments platform**

Key enablers



Invest in our
people and culture to
foster greater **innovation
and growth**



Invest in the **MAM
brand** and elevate the
client experience



Keep **sustainability**
at the **heart of
our business**



Maintain
**disciplined risk
management
approach**



Invest in **data and
technology**
to enable
scalable growth



Our infrastructure business

The world's largest infrastructure equity manager, with a portfolio of investments relied on by more than 100m people each day

Supportive market environment

Global infrastructure sector AUM expected to be over \$US1t¹ by 2024

- Pressure on government finances creates significant opportunity for private capital
- Increasing allocations from institutional investors
- Growth in wholesale distribution channels

Investment opportunities across global mega-trends: urbanisation, digitalisation and energy transition

Growth in core strategies with expansion into adjacencies

- **Continued growth** of regional closed end 'flagship' funds
- **Increased scale** of open-end or longer term global funds
- **Further expansion into new adjacencies**, including new sectors and geographies
- **Targeted use of balance sheet** to catalyse new strategies and for alignment with clients

Lifecycle focus on delivering positive impact

- **Long-term investment approach** to deliver positive outcomes for clients, portfolio companies and communities
- Exceptional **origination and execution** capabilities
- **Value creation throughout the ownership period**, leveraging our deep investment experience and in-house industrial expertise and other specialist skills

CASE STUDY

AirTrunk

Leading Asia-Pacific hyperscale data centre provider, capable of delivering a total planned capacity of ~750MW across six data centres in five tier one markets

Macquarie Asia-Pacific Infrastructure Fund 2 (MAIF2) and its partners reached financial close on the acquisition of an 88% stake in AirTrunk in Apr 20

Key progress since acquisition:

- 300MW+ hyperscale data centre campus launched in Tokyo with an initial 60MW phase targeted to open in late 2021
- Two data centres opened in Singapore and Hong Kong in Dec 20, with a combined capacity of more than 80MW
- 110MW+ hyperscale data centre campus launched in Sydney (second AirTrunk site in Sydney)
- Over \$A1b capex deployed since Apr 20
- Range of new contracts signed with major global hyperscale customers



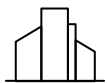
No. 1
Infrastructure
manager globally²



Global team of
310 professionals³



\$A100.4b
equity under
management³



147
portfolio companies³



\$A18.6b
of capital to deploy³



~12.5GW
green generation
capacity managed
globally³



Our real estate business

Global business with deep networks, broad capabilities and strong track record

Global commercial real estate **AUM of ~\$A5t¹** continues to grow

Investor appetite for real estate remains strong with increasing allocations and attractive yield spread to bonds

Global mega-trends are both disrupting and accelerating real estate investment opportunities

- Urbanisation
- Changing demographics
- Digitalisation

Global business providing investors access to **investment opportunities across the real estate risk-return spectrum**

Experienced team of over 200 that capitalises on long-term trends to create value for clients and partners:

- Beds, sheds, bytes, desks
- Develop-to-core strategies capitalising on attractive development yield spreads and strong sector/ market fundamentals
- Partnerships with leading global investors in management platforms

Focused on **two key strategies**:

- **Core / core-plus**
 - Investing in and managing office, logistics and retail assets
 - Driving performance through disciplined market selection and active asset management
- **Opportunistic**
 - Investing in and partnering with specialist real estate platforms targeting sectors supported by structural tailwinds or market dislocation
 - Leveraging principal investment track record

CASE STUDY

LPC

US logistics platform

- **Established in Feb 18**, majority owned by MIRA Real Estate alongside management team
- Strategy to create a **fully integrated development and investment management logistics platform** to capitalise on the long-term demand being created by the growth in ecommerce
- **~\$US280m balance sheet commitment** to acquire and warehouse seed portfolio for initial 'develop-to-core' venture
- **\$US1b LPC Venture 1 capital raise** completed in 2020 with global real estate investors, with a projected portfolio end value of +\$US2.5b
- Since inception, the platform has grown from 11 employees to **50 employees today**



\$A19b
assets under
management²



~500
properties²



~210
real estate
specialists²



28
locations
globally²



Our private credit and asset finance businesses

Global businesses with proven track record of matching private market capital to growing asset classes

Private credit

Growing market for private credit funds, with AUM of ~\$US900b and forecast to grow to ~\$US1.5t by 2025¹

Capital spans the full risk spectrum, from quasi sovereign (local government, social housing) to high yield and bank capital relief financings

Zero losses or impairments to date

Impactful investments are a core part of the business and include:

- Green energy debt investments that have financed over **15GW of clean energy**²
- **22,000+** affordable housing units²

MAM's Private Credit business is expanding further within infrastructure as well as into adjacencies, including **Secure Income Real Estate**



~\$A12b
assets under
management²



120+
investments



\$US5b
capital under
management^{2,3}



300+
aviation
assets

Transportation finance

MAM's Transportation Finance has a **15-year track record** of investing in movable transportation assets, including aircraft, rail and helicopter assets

MAM remains committed to the sector and is working with selected partners for co-investment. With **deep experience across markets and through cycles**, the Transportation Finance team is well placed to identify the opportunities which will deliver **long-term value** to investors

Near term, these markets to benefit from current trends, including in particular:

- **Dislocation in the aviation equity and debt markets**, resulting from COVID-19 disruption
- **Transition to lower emissions fuels and technologies** across all transportation sectors

CASE STUDY

Sub-Investment Grade infrastructure debt Strategy

- **~€1.2b** raised from institutional investors
 - of which **~€730m** via the flagship Macquarie Infrastructure Debt (Sub-Investment Grade) Fund
- Invested across the **utilities, energy, renewables** and **transport infrastructure** sectors
- **Invested in 14 borrowers** in the United Kingdom, United States, Italy, Finland, and the Netherlands
- Majority of assets negotiated on a **bilateral basis** and sourced through **MAM proprietary channels**
- Attracted interest from **21 pension funds and insurance companies** across the United Kingdom, Korea, Japan, Italy, and Portugal

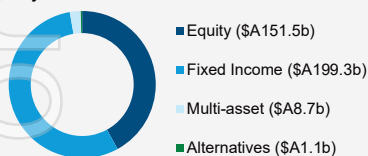


Our public investments business

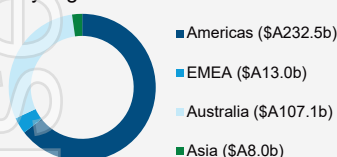
Diversified active professionals offering differentiated public investment capabilities across institutional and retail clients

\$A360.6b assets under management⁶

By asset class



By region



Strength of global platform

- Continuing efforts to globalise the business
- Leveraging the MAM enterprise
- Creation of MAM Client Solutions Group
- Aladdin live in all major regions
- Significant wins in cornerstone markets - Australia Institutional
- Named Investment Manager of the Year by the Financial Standard¹ and "Best Investment Manager 2020" by *Money* magazine² in Australia

Focus on growth

Evolving to meet future client needs with transformative growth initiatives:

- Advancing additional specialist active capabilities into "flagship" status
- Inorganic initiatives for continued business scale and capability expansion
- Further investments in technology, data & analytics, and automation
- Focus on investment intermediaries and Expansion of 'Cornerstone' channels
- Delivering alternatives and non-traditional capabilities to global retail channels

CASE STUDY

Waddell & Reed Financial, Inc.

- **Increased scale and complementary investment capabilities** to the existing Delaware Funds by Macquarie mutual fund line-up
- **Strategic partnership with LPL** – complements strong existing US wholesale relationships within the independent broker dealer channel, fastest growing and largest opportunity
- **Opportunities to grow new product flagships** in one of the largest and fastest growing channels in the US
- At close of transaction, MAM will become **Top 25 US mutual fund manager³**

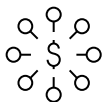
Top 25

actively managed mutual fund manager³



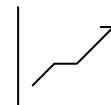
Top 10

global insurance asset manager⁴



Four

new product launches and three new investment strategies



86% of funds

exceeding ten-year benchmarks⁵



A compelling combination

Waddell & Reed today

Founded in 1937 in Kansas City, Waddell & Reed has been serving the financial needs of families, individuals and businesses for more than 80 years

Asset management



- Active portfolio management across a variety of asset classes utilizing proprietary fundamental research distributed to retail and institutional clients under the Ivy Investment umbrella
- AUM: \$A97b¹
- ~100² investment professionals across PMs, research and investment support
- Top strategies by AUM:
 - Science & Technology
 - Midcap Growth
 - Large Cap Growth
 - High Yield Fixed Income
 - International Core Equity

Wealth management



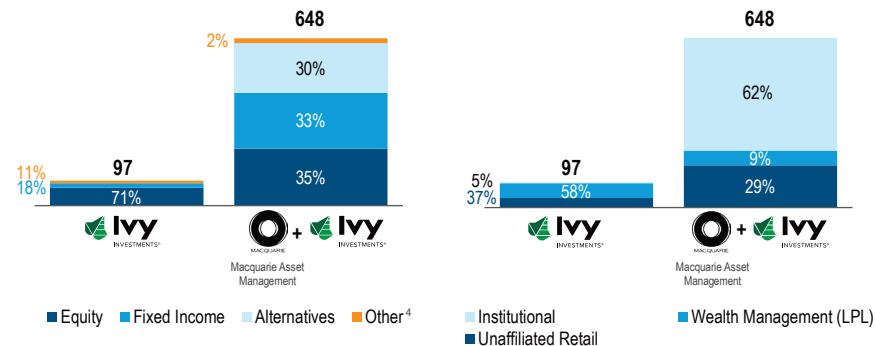
- National network of financial advisors providing comprehensive, personal financial planning services to clients across the US
- AUA: \$A90.5b¹
- ~1,300¹ advisors and advisor associates
- ~4,000² client accounts across advisory and non-advisory
- ~60% of client assets invested in Ivy funds, with the balance in variable annuity and other insurance related products as well as unaffiliated funds

Future combination with Macquarie³

Asset Management

BY ASSET CLASS (AUM \$Ab)¹

BY CLIENT CHANNEL (AUM \$Ab)¹



Long-term partnership

Wealth management



1. As at 31 Dec 20. 2. As at 30 Sep 20. 3. Transaction close is subject to regulatory approvals, client consents and other closing conditions. 4. Other includes multi-asset and money market.



Well-positioned for growth



Global platform providing access to
specialist investment expertise



Delivering
positive outcomes for our clients



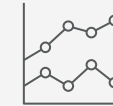
Investing in our
people, culture and brand



Build on our
leading position in infrastructure



Grow our
presence in alternatives



Advance our
public investments platform



Investing to deliver
positive impact for everyone

mal use only

A server room with blue lighting and a large 'Q&A' text overlay. The server racks are illuminated with blue and green lights, creating a futuristic atmosphere. The text 'Q&A' is prominently displayed in the center-right of the image.

Q&A

nal use only

An abstract background featuring a central bright yellow and orange light source that radiates outwards, creating a tunnel-like effect. The light rays are blurred and streaked, transitioning from warm colors (yellow, orange, red) near the center to cooler colors (blue, purple) towards the edges. The overall effect is one of motion and energy.

04

Macquarie Capital

Daniel Wong, Michael Silverton
Co-Group Heads

mal use only





Macquarie Capital combines expert advice with access to capital

We empower our people, clients and partners to innovate and invest for a better future

ADVICE

Mergers & acquisitions

Strategic advice at significant moments for clients:

- Acquisitions
- Divestments
- Restructuring

Capital markets

Access to flexible and timely capital solutions:

- Equity capital markets
- Debt capital markets
- Private capital

Equities

Access to deep liquidity and speed of execution in key markets:

- Equities sales & trading
- Equities research



Principal

Ability to invest alongside clients and ideas:

- Growth equity & venture capital
- Minority & control equity

Development

Co-creation of assets and investible projects:

- Development capital
- Investment in new technologies

Lending

Supporting growth of clients through provision of flexible capital:

- Private credit

CAPITAL

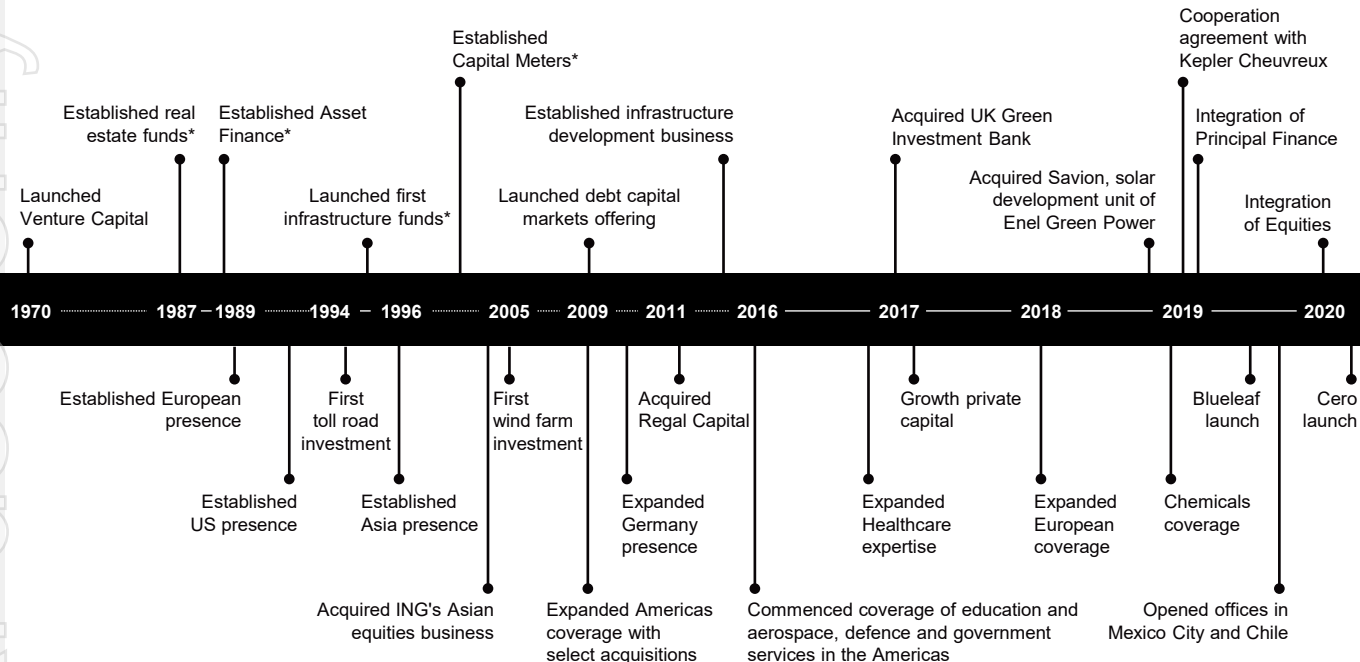


Evolution of Macquarie Capital

MacCap has been the incubator for many successful Macquarie Group businesses

Expanding capabilities

Expanding coverage



MacCap today

INFRASTRUCTURE & ENERGY (IEG)

Advisory

Green Investment Group

Infrastructure Projects

ADVISORY & CAPITAL SOLUTIONS (ACS)

Advisory

Capital Markets

Principal Finance

EQUITIES

Research

Execution & Trading

* Businesses subsequently spun-out to other parts of Macquarie Group.



Global team of industry experts

Our clients have access to a global network of 1,992 specialist staff¹ across 24 markets, that provide a unique combination of financial, technical and operational expertise

AMERICAS

516 **\$A7.1b²**
staff invested

EMEA

472 **\$A3.6b²**
staff invested

ASIA

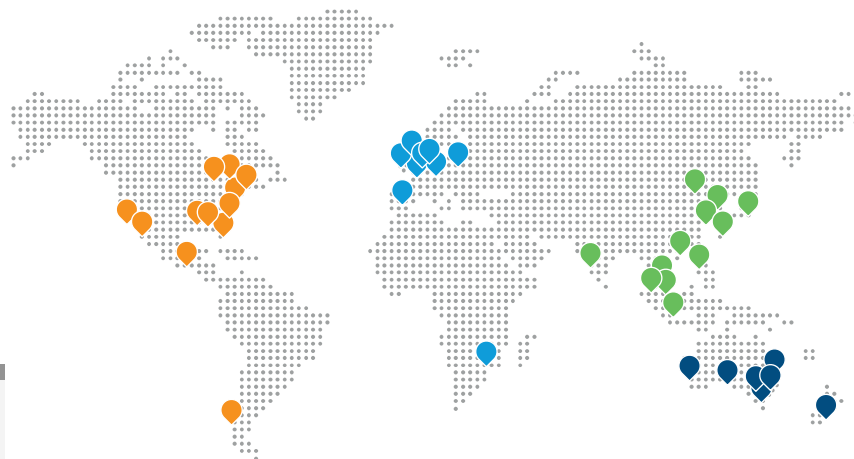
502 **\$A0.7b²**
staff invested

ANZ

502 **\$A1.9b²**
staff invested

TOTAL

1,992 **\$A13.3b²**
staff invested



Diverse team

Global	47 nationalities	45+ languages spoken
Industry backgrounds	130+ Technical & operational experts	
Investing expertise	446 Principal investment specialists	
Advisory specialists	608 Advisory specialists with deep sector expertise	
Equities specialists	362 Research, execution & trading specialists with deep sector expertise	
Tenured leadership	15 years Average tenure of Executive Directors across Macquarie Capital	

¹ All headcount as at 30 Sep 20. ² Commitment as at 30 Sep 20.



Approach to risk management and risk culture

Risk is owned within the business, with independent sign off by Risk Management Group



Financial risk

- Credit and equity risk critical component of investing and underwriting businesses
- Seek to understand worst case scenarios
- Intensive diligence focus on fundamentals analysis and risk assessments on position by position basis
- Group-wide stress testing overlay
- Continued asset management and review of positions



Non-financial risk

- A well established and effective risk culture
- Focus areas include: Operational Risk, Compliance, Work Health and Safety, Environment, and Anti-Bribery and Corruption (internally as well as within investments and developments)
- Significant investment in Work, Health, Safety and Environment systems, procedures, training and oversight
- Conduct specific non-financial risk due diligence
- Engage specialist internal and third-party subject matter experts
- Comprehensive ongoing monitoring

Internal use only

Infrastructure & Energy Group

Daniel Wong

Global Co-Head of Macquarie Capital Group

Mark Dooley

Global Head of Green Investment Group

Kate Vidgen

Global Head of Energy Principal



We're building a better future

The global transition to a lower carbon, more connected world is driving a once in a generation opportunity to re-build the world for a better future



Decarbonisation

\$US3t+ p.a.

average annual energy system investment required over 2016-2050 to meet Paris Agreement objectives¹



Digitalisation

\$US2.3t p.a.

average annual direct investments in digital transformation from 2020 to 2023²

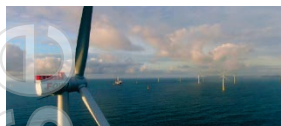


Urbanisation

\$US600b p.a.

average annual transport & infrastructure investment required over 2015-2030³

MacCap activity



Developing and building up to 2.5GW of capacity at **Formosa offshore wind farms** in Taiwan



Developing **solar projects in Wisconsin** that will provide 200MW of solar power⁴



Created **Onivia**, Spain's largest independent wholesale only FTTH network



Commercialising a state-of-the-art **fiber network in Kentucky**



Advised the Pulse consortium for the **Cross-River Rail Tunnel**, Stations and Development PPP



Built 384 homes in the Dublin region under **Ireland's Social Housing plan**

Driven by our team of industry experts...

130+⁵

Technical and operational experts

200+

Specialists in our development platforms

Examples of technical expertise:



Engineers



Geologists⁶



Project managers



Surveyors



WHSE specialists



Green energy operations

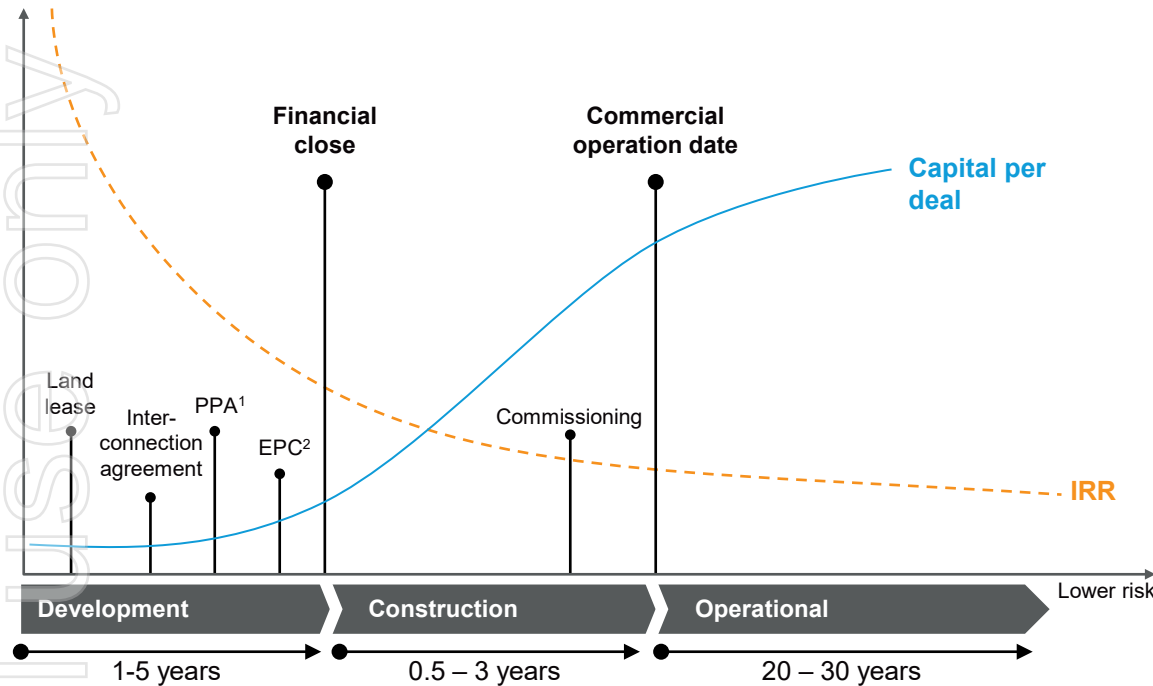


Digital infra operations



We're building the future one project at a time

The asset creation journey typically starts at development stage, through construction, and into operations



Case study: Murra Warra wind farm



1. Power purchase agreement. 2. Engineering procurement & construction.



We're meeting the needs of our clients

We support our clients and partners with market-leading advice and access to development capital

Our clients



Infrastructure and pension funds

Infrastructure funds have raised \$US200b global unlisted infrastructure dry powder¹ to invest in infrastructure opportunities

First Sentier
Investors

AMPCAPITAL

BASALT
INFRASTRUCTURE PARTNERS

PALISADE

MACQUARIE



AMBER
INFRASTRUCTURE GROUP

VAUBAN
INFRASTRUCTURE PARTNERS

GLOBAL
INFRASTRUCTURE
PARTNERS



Governments and cities

Governments and cities need to replace, upgrade and deliver sustainable and more resilient infrastructure to support their populations



Australia



Ireland



Belgium



Netherlands



U.K.



Colombia

How we help...

Infrastructure Advisory



Advised **Snowy Hydro** on raising \$A3.5b corporate financing associated with the Snowy 2.0 expansion of the Snowy Hydro Scheme



Advised **First Sentier** on its acquisition of the UK's largest energy-from-waste portfolio



Co-advised **OPC Energy** on its acquisition of Competitive Power Ventures from Global Infrastructure Partners

Infrastructure Principal & Projects



Investing in **Briceño-Tunja-Sogamoso toll road** in Colombia



Working with **Transport for London** to create **Silvertown Tunnel** – the first new Thames River road crossing in 30 years



Delivered a world class court facility for the **Australian Capital Territory Law Courts**, under the ACT's first PPP

¹. Preqin as at Dec 19.



Green Investment Group

One of the leading renewable energy developers and investors in the world – with a team of 450+ green energy experts¹ committed to accelerating the green transition



Developing & investing

Scale & strength in established technologies

\$A2b+

Current commitments²

\$A12.6b+

cumulative capital invested or arranged over the last 3 years³

250+

projects in development and construction

30+ GW

Global development and construction pipeline⁴



Platform companies

Regional development platforms

- Regionally focused: platforms in US, Europe and the Asia Pacific region
- Technology focused: platforms focused on utility-scale and C&I solar, energy storage or distributed energy



Powering clients

Supporting clients achieve sustainability goals

>3GW

Green energy projects supported by PPAs with our corporate customers⁵

18

corporate customers provided with green energy via PPAs

Large industrial partnerships



Our platforms



Example customers



Hydro

Industries that matter

1. Includes Macquarie Group employees operating under the GIG brand and operating platform employees. Operating platforms are companies operating as operationally segregated subsidiaries of GIG or companies where GIG has entered a joint venture with another partner. 2. Commitments as at 30 Sep 20. 3. Three year period from 1 Sep 17 to 31 Aug 20. 4. Includes projects being developed directly by GIG or through operating platforms (as defined in footnote 1). 5. Total capacity of renewable energy projects in development, construction or operation where GIG or Macquarie Capital (either directly or via operating platforms) have contributed equity investment, which is supported by PPAs structured by GIG, Macquarie Capital or its operating platforms.



Accelerating the energy transition

Continuing to pioneer the development of decarbonisation technologies that need significant investment to bring them to commercial scale

Accelerating less established technologies



Green
hydrogen



Carbon capture,
use & storage



Distributed
energy & storage

Vital to repurposing and decarbonising conventional energy assets

Examples of our activity...



Invested in **esVolta**, a North American utility-scale storage developer with a >600MWh portfolio and >2GWh development pipeline



Invested in **In-Charge Energy**, a provider of turnkey, commercial electric vehicle infrastructure solutions, to enable the company to meet the growing demand for fleet electrification

Spotlight on renewable hydrogen

Potential to revolutionise the energy value chain:



Solution for hard to
abate sectors



Capital
efficient



Increasing
government support

Decarbonisation Case Study

Port of Southampton, UK



- **Industry and transportation decarbonisation** opportunity
- Could utilise **carbon capture** and **hydrogen-based** technologies
- Funding commitment from gas network company **SGN** and **GIG**
- **Feasibility study** commissioned

Internal use only

Advisory & Capital Solutions

Michael Silverton

Global Co-Head of Macquarie Capital Group

Sam Shah

Head of Software & Services, ACS

Co-Head of Industry Coverage, Americas, ACS

Florian Herold

Global Head Principal Finance, ACS

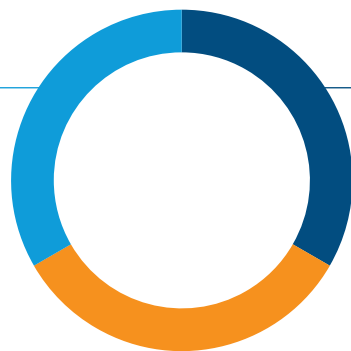


We unlock opportunities by combining ideas and capital

We evolve with our clients and areas of opportunity

Advisory
Focused on
differentiated and
deep industry insights

Capital Markets
Extensive
institutional
relationships



Principal

Tailored solutions to unlock opportunities

Private capital

Abundant capital looking for increasingly diverse ways to access non-public market opportunities

Tech-enabled innovation

Technology is transforming industries, evolving business models and leading to convergence between sectors

Principal investment

Supporting clients with principal investment, combined with advisory and capital market capabilities and industry insights

Sub-sectors we're working in

FINANCIAL SPONSORS |
GROWTH EQUITY |
FAMILY OFFICES

SOFTWARE | DATA |
SERVICES | EDUCATION |
FINTECH | HEALTHCARE

PRIVATE CREDIT | PRIVATE
EQUITY | GROWTH EQUITY |
REAL ESTATE

Market backdrop

\$US6.5t

private market AuM has grown nearly threefold since 2010¹

42% increase

in the percentage of PE dry powder in growth equity strategies since 2016²

\$A3.4b

Principal Finance committed YTD through Q3 FY21



We create opportunities for our clients

Our clients

Corporates

We provide advice and access to capital markets to help corporates achieve their strategic priorities

Investors and institutions

We offer unique investment opportunities to pension funds, family offices, institutions and financial investors of all types

Financial sponsors

We work with financial sponsors and their portfolio companies, as advisor and capital provider, to identify and execute investment opportunities and at exit through sales and IPOs

Entrepreneurs and management teams

We deliver for growing companies, through solutions such as direct lending and growth equity

How we help...

Advising on transformational deals



Financial advisor to TPG Telecom on the creation of Australia's leading full service telecommunications challenger through the merger of TPG Telecom and Vodafone Hutchinson Australia

Advisor to the supervisory board of thyssenkrupp AG on the €17.2b sale of its Elevator Technology business

Matching institutions with ideas



Advising Bloomreach on an investment to fund the ongoing growth of its digital ecommerce experience platform

Arranging finance to support The Pritzker Organization, a family investment firm with a permanent capital base, in its recapitalisation of STV Group

Delivering insights and solutions



Joint bookrunner on financing of the acquisition of Lummus Technology, a market leading provider of process technologies for petrochemicals



Facilitating the provision of specialist nursing care in the United Kingdom as financial advisor on the sale of Exemplar Health Care

Investing to support growth



Partial realisation of our interest in Nuix through an ASX IPO. Macquarie acted as Joint Lead Manager, Bookrunner and Underwriter to the IPO

Connecting drivers to parking spaces, through leading SpotHero's Series D Funding



Tech-enabled innovation

Aerospace, Defence & Government Services

Facilitating better delivery of services to and by governments



Consumer, Gaming & Leisure

Enabling eCommerce and changing at home leisure



Financial Institutions

Supporting new financial technologies



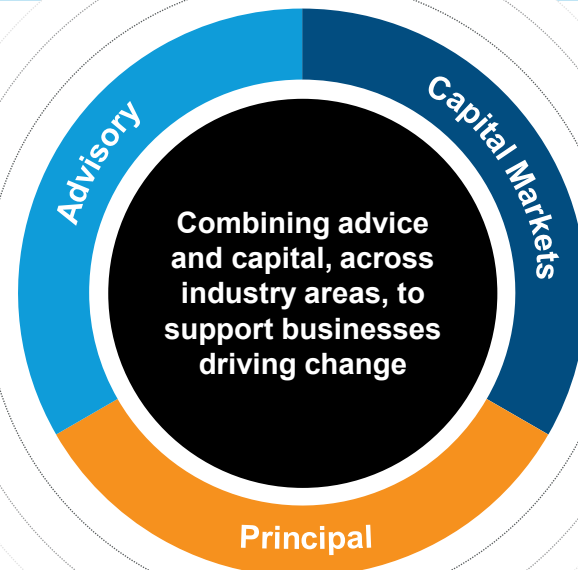
Healthcare

Providing insights into healthcare



Industrials

Using new technology for sustainability and efficiency



Services

Delivering online education to communities



Technology, Media & Telecoms

Facilitating easier use of data



Resources

Providing battery minerals



Infrastructure

Improving efficiency and efficacy



Real Estate

Enabling and utilising data

Partners

Working with partners to identify opportunities and solutions





Education

Technology is revolutionising education and the massive growth in online education / ed-tech is creating substantial opportunity for clients, which we facilitate with principal capabilities and industry expertise

Market context

~\$US6t

Industry globally¹

2b+

More learners expected by 2050¹

16%+

Forecast 6yr CAGR for edtech sector¹

Strong demand driven by

- Demographic booms
- The rise of the middle class; and
- Shift to service-based economy for many emerging countries

Social distancing requirements supporting

- Online education
- Digital learning tools
- Educational support services; and
- Online assessment alternative

Our opportunity

- Leading education sector expertise in US
 - 41 M&A deals (total \$US23b+ deal value)
 - \$US570m+ direct investment
 - 17 debt financings (total \$US12b+)
 - 12 equity offerings (total ~\$US3b)
- Leveraging expertise globally
- Building relationships with companies and partners earlier:
 - Completed multiple early-stage investments
 - Enables us to support clients and grow with them

(1) HolonIQ 2020 10 Charts for a Changing Education Market.



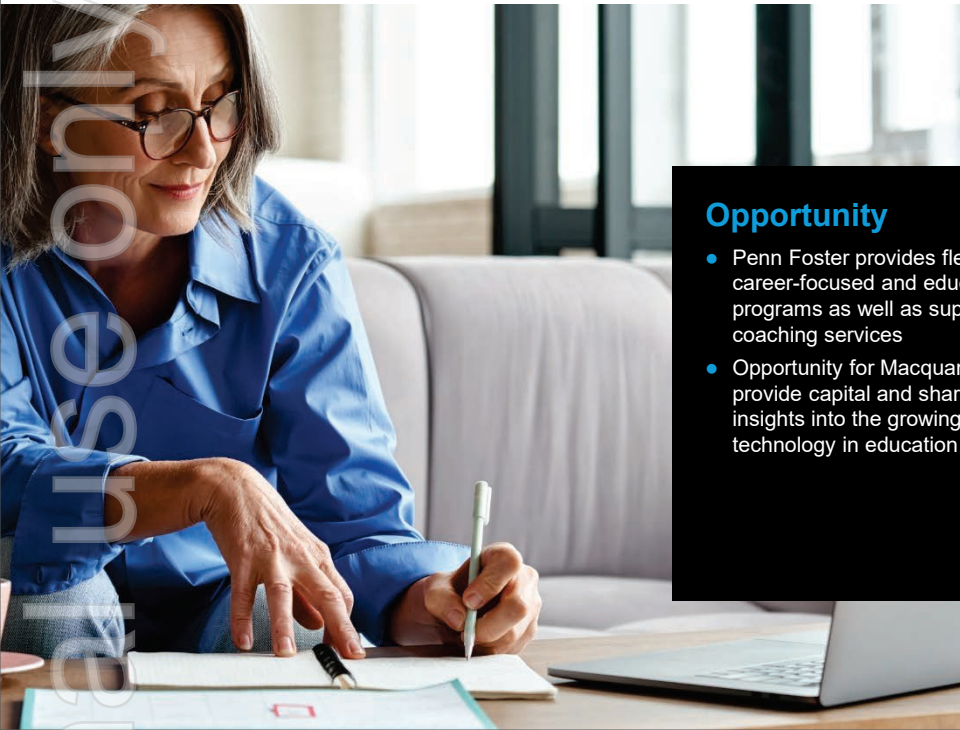
Case Study: Penn Foster

Company overview

Provider of affordable, self-paced online education including high school, college and career school programs



Offers 100+ accredited degree, diploma and certification programs in fields ranging from healthcare to skilled trades



Opportunity

- Penn Foster provides flexible, career-focused and education programs as well as supportive coaching services
- Opportunity for Macquarie to provide capital and share its insights into the growing role of technology in education

Actions

2018

- Macquarie preferred equity investment
- Positioned the company to be a crucial part of closing America's skill and equity gaps

2020

- Macquarie acted as sell-side advisor
- Facilitated a competitive sales process despite COVID-related logistical challenges

Outcomes

- Macquarie facilitated a successful outcome for shareholders
- Penn Foster will continue to deliver skill-based training for more than 300,000 working learners each year
- Investment will accelerate the pairing of data science with skills-based digital learning



Principal Finance as a key differentiator

We invest to facilitate outcomes for our clients, communities and the firm

- Multi-strategy approach
 - Debt and equity
 - Corporate and real estate
- Multiple pathways to create value, including:
 - Long-term investing
 - Flexible capital solutions
 - Investing around sector expertise
 - Supporting clients with co-investment capital
 - Leveraging external capital and funding partners to co-invest alongside Macquarie



Creating customised and flexible capital solutions for our clients across all industry sectors



More than 120 investment professionals with extensive experience dealing with complex deal dynamics



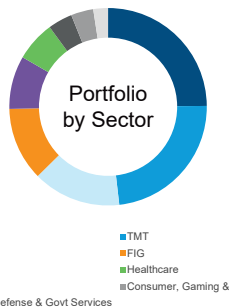
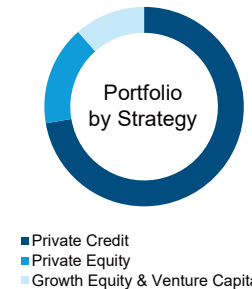
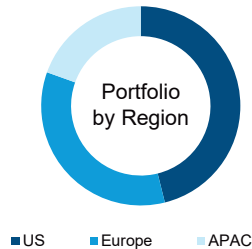
Depth of insight and collaboration across MacCap leads to opportunities for outsized outcomes



A diversified portfolio

Aligned with focus areas, our best results come from combining sector expertise with principal capabilities

\$A8.7b Principal Finance Portfolio



Private credit

Typical investment size: \$A100-300m

Top sectors:



FY21 Highlights

- 43% YoY growth in debt book size
- Completed funding of Navacord, a leading Canadian Insurance Brokerage
- Lead financier to Elite Partners Capital to acquire logistics assets in Europe



Private equity

Typical investment size: \$A100-300m

Top sectors:



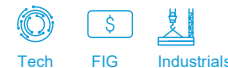
- £33m sale of Tavis House, a long leasehold office building in London
- Investment in Illion, a data and registry business bringing together our relationships, industry knowledge and principal capabilities



Growth equity & Venture capital

Typical investment size: ~\$A50m

Top sectors:



- IPO of Nuix in Dec 20 – outstanding result for the MCVV team with combined effort of the ECM and TMT teams
- Majority investment in one of the leading incident reporting software providers in Europe with an expanding compliance platform





What's next



Deep expertise in key transformative trends



Geographic and adjacent expansion

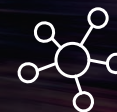


MACQUARIE

Macquarie Capital businesses are **positioned well to grow** over the coming years.



Entrepreneurial mindset



Flexible solutions for clients including principal capital

Internal use only



Q&A

Internal use only

05

Corporate Operations Group

Nicole Sorbara, Group Head,
Chief Operating Officer

Justin Moffitt, Chief Information Officer

Adam Prettejohn, Head of Digital
Transformation and Data

Internal use only



Delivering service excellence and transformational change, we empower people to innovate and invest for a better future



Corporate Operations Group Nicole Sorbara



Digital Transformation & Data Adam Prettejohn



Partners with divisions and groups to deliver digital solutions whilst future skilling employees with capabilities in data analytics, innovation, human centred design and eliminating failure demand.

Technology Justin Moffitt



Manages core technology infrastructure including reliability and resilience of services, deploys digital and cloud-based applications, manages enterprise information, supports workplace and collaboration tools, manages cyber security, global security and fraud, and identifies emerging technology trends.

Operations Ian Beasley



Delivers critical operational trade support services to enable the trade lifecycle for a wide range of products and businesses. Provides operational services to support our global workforce including payroll, leave processing, staff queries, and learning and development administration.

Human Resources Lynnette Samo



Our most important asset is our people and HR works in close partnership with each group to attract the best, reward success, develop and retain talent and support complex regulatory and organisational change.

Business Services Tracey Macdonald



Creates workplace experiences - including Sydney Metro Martin Place - that enable people, clients and communities to connect, learn, collaborate and innovate together. Delivers group procurement services and builds business resilience across the organisation.

Business Improvement & Strategy Mura Ryan



Partners with Macquarie businesses and support areas to discover opportunities, solve problems and make change happen. Brings external insights and connections, understandings of Macquarie's businesses and builds strong cross-group relationships.

Macquarie Group Foundation Mura Ryan



Macquarie Group Foundation is a diverse team of experienced social impact professionals who support community organisations with funding, volunteering and skill sharing. The Foundation's strategic funding is targeted at education and employment initiatives, as well as game-changing ideas.

COG Central Kellie Vinn



Supports the day-to-day operations of COG including specialist accounting and financial reporting services, operational risk services and staff communication and engagement activities.

Regional COOs

Ange Burt (Americas), Scott Harmer (Asia) and Tim Mulvihill (EMEA)

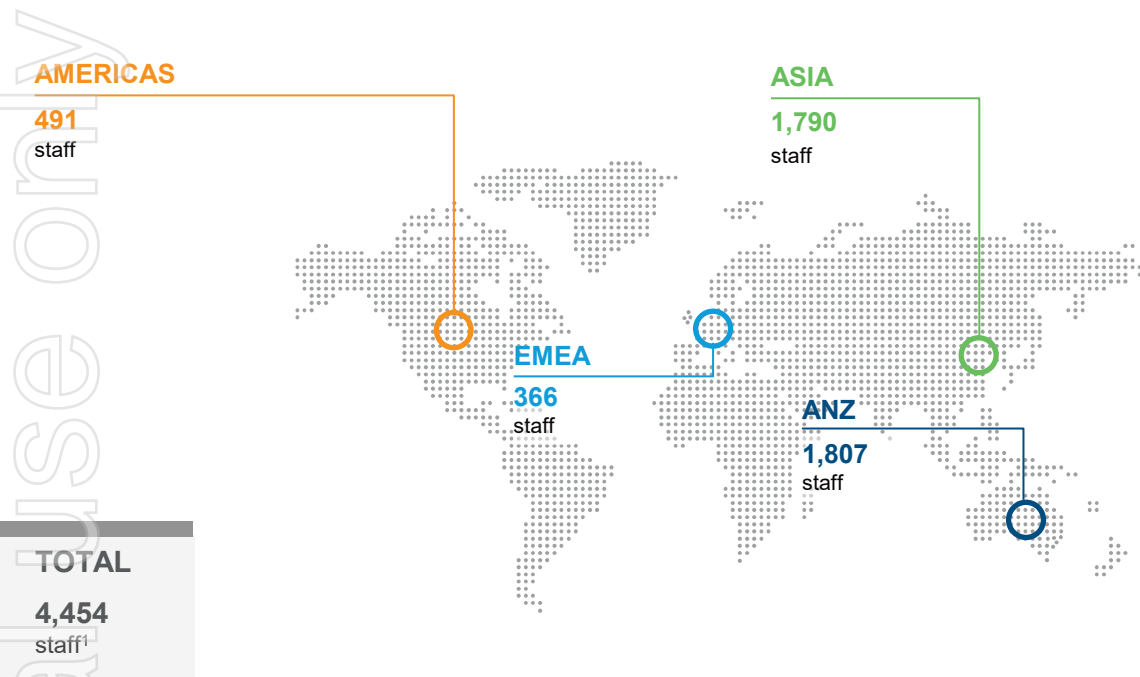


Supports the day-to-day management of the Group within region.



Global team with specialist expertise

The organisation has access to a global network of more than 4,400 staff across 19 markets that provide a wide range of specialist services



Diverse team

Global staff

39
citizenship countries

54+
languages spoken

Specialist expertise

30 Digital transformation and data	2,945 Technology	751 Operations
313 Human resources	233 Business services	19 Business improvement and strategy
17 Social impact and community	146 Finance, operational risk and communications	



Transforming our services

Over the past eight years COG has fundamentally improved and changed the services delivered – establishing new Group-wide services and enhancing existing services to increase quality, risk and agility

2013 — 2014 — 2015 — 2016 — 2017 — 2018 — 2019 — 2020

Investment in people and capability

Investment in workplace

Investment in technology

Partnering with Groups

Formation of Corporate Operations Group

	2013	2014	2015	2016	2017	2018	2019	2020
Investment in people and capability		<ul style="list-style-type: none"> New leadership program 	<ul style="list-style-type: none"> Enhanced cyber security capabilities New Futures Clearing team 	<ul style="list-style-type: none"> New CIO Appointed Chief Data Officer Enterprise Data Management strategy DevOps established Agile methodologies 	<ul style="list-style-type: none"> ED Leadership Program COG Directors Leadership Program COG Future Skilling Program 	<ul style="list-style-type: none"> New Digital Transformation and Data Division Global Security function 	<ul style="list-style-type: none"> Diversity & Inclusion refresh Macquarie Group Foundation 50th Anniversary Award 	<ul style="list-style-type: none"> Director Masterclasses Work from home workplace health and safety training Technology Certification Program Macquarie Purpose
Investment in workplace		<ul style="list-style-type: none"> Award winning workplace experience at 50 Martin Place 	<ul style="list-style-type: none"> Enterprise social networking Third Party Risk Framework 	<ul style="list-style-type: none"> Office 365 Webex video conferencing 	<ul style="list-style-type: none"> Workplace by Facebook 	<ul style="list-style-type: none"> Commence Sydney Metro Martin Place 	<ul style="list-style-type: none"> Macquarie Virtual Desktop 	<ul style="list-style-type: none"> Zoom virtual video technology Human Resources on-demand digital services for employees Digital procurement self-service
Investment in technology		<ul style="list-style-type: none"> Cloud-first strategy 	<ul style="list-style-type: none"> Private cloud (Asia) AWS public cloud (Global) 	<ul style="list-style-type: none"> New Tech Assist support model 	<ul style="list-style-type: none"> Network insource management Private cloud (Australia) 	<ul style="list-style-type: none"> Private cloud (Americas and EMEA) 	<ul style="list-style-type: none"> Significant global network upgrades 	<ul style="list-style-type: none"> Macquarie.com and staff intranet refresh Google public cloud
Partnering with Groups	<ul style="list-style-type: none"> BFS Core banking platform CGM Global oil platform 	<ul style="list-style-type: none"> CGM Front office strategic technology program 	<ul style="list-style-type: none"> BFS Mobile Banking RMG, FMG Expanded regulatory reporting platform 	<ul style="list-style-type: none"> BFS Transaction and savings accounts BFS New digital banking experience 	<ul style="list-style-type: none"> BFS Apple Pay and Android Pay MacCap Green Investment Bank CGM Cargill 	<ul style="list-style-type: none"> MAM Global platform strategy BFS New payments platform FMG: Corporate Data Hub 	<ul style="list-style-type: none"> RMG Credit risk transformation CGM Risk management platform BFS Data transformation MOD Client Lifecycle Management System CGM Data analytics platform 	<ul style="list-style-type: none"> FMG Accounts payable, receivable and fixed assets platform MacCap Transaction Management System MAM Waddell & Reed



Self-funding transformation and investing in technology

Core to success has been our ability to transform ourselves, our significant investment in technology and maintaining strong operational risk culture

Reinvestment of operating efficiencies

\$A132m

since FY15

Cumulative years of generating operating efficiencies has enabled COG to self-fund transformation

Investment in technology

\$A1.3b

FY20

19% of total technology investment is in change activity

Risk management

↓42%

in high rated incidents (since FY15)

Effective management of organisational change, regulatory complexity and risk



COG leading Macquarie's response to COVID-19

Our long-term focus on building resilience in our people and technology enabled a global workforce of over 16,400 employees across 34 markets to work from home





COG leading Macquarie's response to COVID-19

Our response enabled the business to continue to deliver for our clients despite global market disruption

Enabled results to be delivered

32,400

Mortgages originated for BFS, up 17% from prior corresponding period

22.1m

trades settled, up 10% from prior corresponding period

259 MacCap¹ transactions valued

at **\$A244b**

Stayed connected with our clients

3,200

MIRA Investor Contacts provided with direct access to new investor portal

250,000

new cash, business banking and wrap accounts for BFS, up 71% from prior corresponding period

1,900+

New clients onboarded to CGM

Empowered our people to innovate and invest for a better future

92%

of employees feel as or more productive than before COVID-19

92%

of employees feel same or greater belonging in their team than before COVID-19

2,500

charities supported worldwide



Accelerating the digital future

Developing leadership, culture and technology skills in our people has been a priority because we know these capabilities empower everyone to innovate and invest for a better future

Leadership

Deeply embedding strategic and cultural alignment

+

Skills

Future skilling our people

Eliminating Failure Demand | Data Science
Innovation & Human Centred Design | Leading Change
Technology & Digitalisation | Critical Thinking

+

Technology

Innovative data-driven digital clients experiences with cloud-based infrastructure

=

T R A N S F O R M A T I O N



Digital Transformation and Data Division

We partner with Groups to realise client-led opportunities and accelerate delivery of COG's digital transformation

Equipping our people with the skills to deliver transformation outcomes

1,500+

staff enabled with data literacy skills

1,000+

deeply trained in human centred design and eliminating failure demand

Digitalising COG services to enable clients and deliver operational efficiencies

35+

transformation programs initiated in 2020

Established COG data science capability



Partnering with Groups to realise 'front-to-back' enterprise opportunities

Enterprise Digitalisation Strategy



Corporate Connected Data



CASE STUDY

Partnering with HR and Technology to deliver The HUB

- Accelerating on-demand digital Human Resource services to deliver client centric outcomes, operational efficiencies and employee lifecycle transformations

Partnering with Operations to automate processes using machine learning

- Leveraging eliminating failure demand, data science and human centred design practices to streamline our services



Technology Division

Investing in accelerating cloud adoption, modernising systems and increasing agility, automation and scale of our services

Transforming Macquarie's technology risk profile, increasing network resilience and modernising our systems

99.9%
system availability

↓24%
decline in legacy servers (FY19 to FY20)

Accelerating public cloud adoption, leveraging the benefits of agility, automation, scale and cost

750+
people with industry recognised agile and cloud certifications

775+
production apps in public cloud

Using data-driven insights to deliver innovative digital solutions for our clients

1b+
rows of international trade data analysed for CGM

\$A15m+
invested in automation to deliver efficiencies and improved BFS client self-service

CASE STUDY

Data and machine learning driving opportunities for CGM

- Using open-source software and public cloud to analyse data and develop machine learning models to make data-driven decisions

Partnering with BFS to accelerate data transformation

- Investing in public cloud technology to meet the needs of the next generation of banking technology



Technology Division

Supporting new ways of working, investing in Cyber Security to detect and prevent threats and delivering front to bank transformation

Deploying web-based applications and virtual desktops across our business

>5,000

virtualised desktops in use

>1,500

staff using virtual application supporting the breadth of our businesses

Continuing to develop cyber security capabilities and deploying tools to detect and prevent threats

1,750+

cyber security assessments completed

50,000+

devices security scanned every week

Delivering transformational change by eliminating failure demand and automating manual processes and controls

Targeting elimination of

12,500+

manual data changes per year

↓26%

decrease in Tech Assist support tickets

CASE STUDY

Automating front-to-back processes in MacCap

- Investing in software-as-a-service solutions to accelerate business process digitalisation and automation

Data and digital technology driving opportunities for MAM

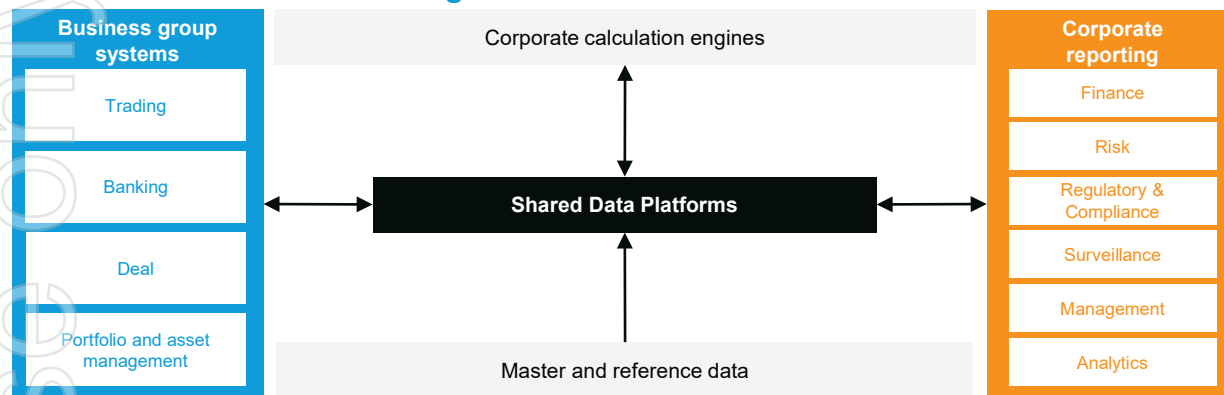
- Using data and digital technology to create a unified and single data platform to manage investments



What's next: Accelerating our enterprise data and digitalisation strategy

Macquarie's enterprise data and digitalisation strategy will enable us to better serve clients, adapt to changing regulations and transform front-to-back efficiency and risk

Target State Data Architecture



Data principles

- **True to source representation** provides data to meet different consumer perspectives
- **Timely data delivery** to meet increasing requirements for more timely reporting
- **Embedded data quality** to ensure consistency and quality of data and outcomes
- **Centrally shared** to increase data availability and reduce duplication
- **Calculations at point of expertise** to ensure correct application of business rules
- **Shared data models and definitions** to ensure consistency of data understanding
- **Authoritative sources** to increase consistency and accuracy of data

Enabled by:

- Empowering our people to identify and deliver transformation opportunities through a data-centric culture, future skilling and talent acquisition
- Delivering enterprise digitalisation through aligned initiatives, shared metrics and end-to-end solution architecture
- Leveraging Eliminating Failure Demand techniques and the enterprise change portfolio to incrementally re-engineer processes and technologies
- Investing in our common data 'building blocks' to accelerate how we manage, share and leverage data in the future



We are well positioned

We will continue to invest in our people, systems and operations to enable business outcomes and accelerate digitalisation for Macquarie

**Investment in
people and
technology**

+

**Resilience
and
adaptability**

=

**Strong
business
results**

**2021: INVESTMENT TO
ACCELERATE DIGITALISATION**

Internal use only

Q&A

06

Glossary



Glossary

1H21	First Half ended 30 Sep 2020
3Q21	Third Quarter ended 31 Dec 2020
ADI	Authorised Deposit-Taking Institution
ANZ	Australia and New Zealand
APRA	Australian Prudential Regulation Authority
ASX	Australian Stock Exchange
AUM	Assets under Management
BCBS	Basel Committee on Banking Supervision
BEAR	Banking and Executive Accountability Regime
BFS	Banking and Financial Services
CAGR	Compound Annual Growth Rate
Capex	Capital Expenditure
CCB	Capital Conservation Buffer
CET1	Common Equity Tier 1
CGM	Commodities and Global Markets
DPS	Dividends Per Share
DRP	Dividend Reinvestment Plan
DTA	Deferred Tax Asset
EMEA	Europe, the Middle East and Africa
EPS	Earnings Per Share
EUM	Equity Under Management
FX	Foreign Exchange
FY21	Full Year ended 31 Mar 2021
GIG	Green Investment Group
GLL	GLL Real Estate Partners
IFRS	International Financial Reporting Standards

M&A	Mergers and Acquisitions
MacCap	Macquarie Capital
MAM	Macquarie Asset Management
MBL	Macquarie Bank Limited
MEREP	Macquarie Group Employee Retained Equity Plan
MGL / MQG	Macquarie Group Limited
MIDIS	Macquarie Infrastructure Debt Investment Solutions
MiFID	Markets in Financial Instruments Directive
MIM	Macquarie Investment Management
MIRA	Macquarie Infrastructure and Real Assets
MW	Mega Watt
NPAT	Net Profit After Tax
NPC	Net Profit Contribution
NSFR	Net Stable Funding Ratio
PCP	Prior corresponding period
PPE	Property, Plant and Equipment
PPP	Public Private Partnership
RMG	Risk Management Group
ROE	Return on Equity
RWA	Risk Weighted Assets
SAF	Specialised and Asset Finance
SME	Small and Medium Enterprise
SMSF	Self Managed Super Fund
TMT	Technology, Media and Telecoms
VaR	Value at Risk
YTD	Year to Date



MIRA funds glossary

Currently managed unlisted funds

GIF II	Global Infrastructure Fund II
KPCF	Korea Private Concession Fund
KPCF2	Korea Private Concession Fund 2
KPCF3	Korea Private Concession Fund 3
KPCF4	Korea Private Concession Fund 4
LPC LV1	Logistics Property Company Logistics Venture 1
LMIF	Lombard Odier Macquarie Infrastructure Fund
MAFCA	Macquarie Agricultural Fund - Crop Australia
MAIF	Macquarie Asian Infrastructure Fund
MAIF2	Macquarie Asian Infrastructure Fund 2
MAIF3	Macquarie Asia-Pacific Infrastructure Fund 3
Tactical Club	Macquarie Asia-Pacific Real Estate Tactical Club
MAIT	Macquarie Australian Infrastructure Trust
MCRC	Macquarie China Retail Company
MCRC2	Macquarie China Retail Company 2
MCP	Macquarie Crop Partners
MEIF 2	Macquarie European Infrastructure Fund 2
MEIF 3	Macquarie European Infrastructure Fund 3

MEIF 4	Macquarie European Infrastructure Fund 4
MEIF 5	Macquarie European Infrastructure Fund 5
MEIF 6	Macquarie European Infrastructure Fund 6
MGREF2	Macquarie GIG Renewable Energy Fund 2
MGIDF	Macquarie Global Infrastructure Debt Fund
MGCIF	Macquarie Greater China Infrastructure Fund
MIP III	Macquarie Infrastructure Partners III
MIP II	Macquarie Infrastructure Partners III
MIP IV	Macquarie Infrastructure Partners IV
MIP V	Macquarie Infrastructure Partners V
MKOF	Macquarie Korea Opportunities Fund
MKOF3	Macquarie Korea Opportunities Fund 3
MKOF4	Macquarie Korea Opportunities Fund 4
MKOF5	Macquarie Korea Opportunities Fund 5
MMIF	Macquarie Mexican Infrastructure Fund
MPF	Macquarie Pastoral Fund
MRIF	Macquarie Russian Infrastructure Fund
MSIF	Macquarie SBI Infrastructure Fund
MSSits	Macquarie Special Situations Fund

MSIG	Macquarie Sub-Investment Grade Debt Fund
MSCIF	Macquarie Super Core Infrastructure Fund
MIGS	MIRA Global Infrastructure Solutions
MIGS II	MIRA Global Infrastructure Solutions II
OSWF	OffShore Wind Fund
PLP	Peel Logistics Partners
PINAI	Philippine Investment Alliance for Infrastructure
RHP	RHP Partners
SMIT	SBI Macquarie Infrastructure Trust
Stonehenge	Stonehenge
TIF	The Infrastructure Fund
UKCI	UK Climate Investments

Currently managed listed funds

MMREIT	FIBRA Macquarie
MIC	Macquarie Infrastructure Corporation
MKIF	Macquarie Korea Infrastructure Fund



2021

20

20

Operational Briefing

Presentation to Investors and Analysts

9 February 2021

Internal use only