AUSTRALIAN
SHAREHOLDERS'
ASSOCIATION

Macquarie Voting Intentions Report 2026

Company/ASX Code	Macquarie Group Limited / MQG
AGM time and date	10:30am AEST, Thursday 23 July 2026
Location	ILUMINA, 1 Elizabeth Street, Sydney NSW 2000
Registry	MUFG Corporate Markets
Type of meeting	Hybrid via Lumi including online questions and voting
Monitor	Peter Gregory and Elizabeth Fish
Pre-AGM Meeting	With Chair, Glenn Stevens; Rem Chair, Jillian Broadbent; Caroline Cummins, Global Head of Reward; and Sam Dobson, Head of Investor Relations.

Monitor Shareholding: The individuals involved in the preparation of this voting intention have a shareholding in this company.

1. How we intend to vote

No.	Resolution description	
1	Financial Statements and reports	
2a	Re-election of Ms Susan Lloyd-Hurwitz as a Voting Director	For
2b	Election of Mr William Vereker as a Voting Director	For
3	Adoption of the Remuneration Report	Against
4	Approval of Managing Director's participation in the Macquarie Group Employee Retained Equity Plan (MEREP)	Against
5a	Amendment to the constitution	Against
5b	Climate Strategy and Management Disclosures	Against
6	Spill Resolution	Against

The Notice states that Item 5b will only be put if Item 5a is passed, and Item 6 will only be put if 25% or more of votes cast on Item 3 are against.

2. Summary of Issues and Voting Intentions for AGM/EGM

- The Macquarie profit share remuneration represents 84% of the CEO's compensation package, yet its award lacks transparency and clear performance hurdles. There is a strong reliance on Board discretion.
- There has been a resolution to the issues of short selling reporting to ASIC and Shield Master Fund's inclusion on the Macquarie wrap program. This has come with a cost, but more importantly brought a reputational risk to our company.

- Macquarie has commenced a process to replace their current auditor PwC with KPMG. Given the current controversy with KPMG, shareholders need reassurance this auditor change is in the best interest of the company and its owners before this resolution is put to the FY27 AGM for their approval.
- ASIC recently wrote to company directors saying, “rapid evolution of frontier artificial intelligence models marks a significant shift in the cyber threat landscape”. The information provided about directors and contained in the Board Skills Matrix does not provide shareholders with sufficient confidence about the Board’s ability to deliver contemporary, active and informed oversight in this high-risk area.

See ASA Voting guidelines and Investment Glossary for definitions.

3. Matters Considered

Accounts and reports

Macquarie delivered a much stronger FY26 result, with NPAT of **$A4,847m**, up **30%**, EPS up **30%**, ROE of **14.0%**, and full-year dividends of $7.00 per share.

A concise summary of Macquarie’s FY26 overall results and highlights of each of the businesses is presented in the Macquarie FY26 "Presentation to investors and analysts"

Financial performance

As at FYE 31 March	2026	2025	2024	2023	2022
NPAT ($m)	4,847	3,715	3,522	5,182	4,706
Share price ($)	201.93	196.64	199.70	175.66	203.27
Dividend (cents)	700	650	640	750	622
Annual TSR (%)	6.3	2.1	19.3	-9.8	38.6
EPS (cents)	1,277.0	979.4	916.6	1,353.7	1,271.7
CEO total remuneration actual ($m)	27.862	29.921	29.301	28.310	15.193

Simple TSR is calculated by dividing (change in share price plus dividend paid during the year, excluding franking, by the share price at the start of the year.

Governance and culture

Macquarie has had some recent regulatory and compliance shortcomings that have resulted in increased regulator scrutiny and limitations, and a fine. The specific known issues are being dealt with as the Chair referred to, with some general comments, in his letter in the annual report. But there has been minimal disclosure about the underlying root causes. Has there been a sufficient review to ensure regulatory compliance and confidence that there are no more surprises? At the AGM ASA will ask for more explanation so shareholders can be confident that this risk is dealt with.

The experience with the Shield Master Fund on its wrap platform caused Macquarie to take action to protect affected investors from capital loss – Macquarie is congratulated for this positive response, even though it is costing shareholders. And it appears from the recent news that a number of other investment options have been removed from the Macquarie wrap platform as a consequence of the Shield situation. Perhaps a realisation that advisors trusted that the Macquarie wrap platform would only offer quality investments. And that this trust had to be earned to protect the larger brand "Macquarie".

Both of these matters were reflected in remuneration outcomes for responsible executives.

Key board or senior management changes

The retirement of Alex Harvey, effective 31 December 2025 as CFO, and the appointment of Frank Kwok as his replacement on 1 January 2026, was announced at last year's AGM.

Jillian Broadbent will retire from the Macquarie Boards at the end of the year and will step down as Chair of the Remuneration Committee following the AGM.

Susan Lloyd-Hurwitz will become Chair of the Remuneration Committee on 1 August 2026.

William Vereker joined the Board on 1 February 2026 and is standing for election at the AGM.

Sustainability/ESG

Macquarie has prepared FY26 Climate Statements in accordance with AASB S2 Climate-related Disclosures and has voluntarily disclosed Scope 3 emissions in FY26, ahead of mandatory Scope 3 reporting commencing from FY27. Macquarie also reports that it maintained a net zero position for Scope 1 and Scope 2 emissions in its own business operations and continued sourcing the equivalent of 100% renewable electricity for global offices and data centres.

ASA focus issues (not discussed above or under remuneration report or re-election of directors)

Macquarie provides a minimal **board skills matrix** that only identifies the number of directors that self-identify as having a skill based on the criterion of "consistent ability to identify complex issues". ASA asks for the identification of which directors are claiming which skills. The "ability to identify issues" does not necessarily give shareholders confidence in the ability to contribute to and ensure resolution of issues. ASA suggests that this criterion be reviewed to be more outcome focused.

It is noted that the "People, culture and remuneration skill" and "Change management skill" do not include in their descriptions references to understanding of creation of highly engaged and motivated people who will deliver outstanding results as part of a team.

The board skills matrix identifies two directors as having "technology and digital skills". In this area, the emphasis needs to be on contemporary knowledge that will enable active and informed oversight, especially in the high-risk area of AI and cybersecurity.

4. Rationale for Voting Intentions

Resolution 2a Re-election of Ms Susan Lloyd-Hurwitz as a Voting Director

Ms Lloyd-Hurwitz has been an effective director of Macquarie who brings valuable experience and skills to the Boards of Macquarie.

ASA supports her re-election. But at the AGM will ask her to confirm that given her other responsibilities, that she has the time to devote to her Macquarie Board role. Especially considering she is the Chair of the National Housing Supply & Affordability Council, a body that is dealing a critical social and economic challenge that is facing Australia and has such high visibility nationally.

Resolution 2b Election of Mr William Vereker as a Voting Director

Mr Vereker was appointed as an independent voting director in February 2026. He brings significant global financial services, organisational change and risk-management experience from time spent in senior positions at high profile investment bankers as detailed in the Notice of Meeting. His appointment to the Board will expand the Board' global, and in particular, European perspective.

ASA will support his election but will ask at the AGM what specific additive skills and contribution he will bring to the Board, and what contemporary AI and cybersecurity knowledge he has.

Resolution 3 Adoption of the Remuneration Report

In spite of the improved financial results delivered by Macquarie's leadership this year, ASA has reservations about the Remuneration Plan. These are:

- ASA is of the view that the CEO, and leadership team need to be rewarded to attract, retain and motivate the best people. We also believe that as this is a cost to shareholders, the remuneration package can't be excessive. A detailed analysis of the information, largely provided by Macquarie, is in the Appendix, and from this it appears that the package may be higher than it needs to be.
- While there has been some improvement in the quality of the remuneration reporting following the strike last year, ASA does not believe this is sufficient. We expect to be able to see simplicity, clear performance hurdles (achievement of specific outcomes linked to a defined reward) and alignment with sustainable value creation. (This is outlined in the ASA AGM Focus Issues attached to this report.) This is not clear from Macquarie's remuneration report. There is an over reliance on Board discretion.
- Macquarie has an excessive bias toward the STI (84%), which may result in an emphasis on short term achievement. Macquarie's LTI represents only 12% of the CEO package, and ASA believes this should be increased to bring it more in line with the proportion used by Macquarie's peer comparison group, and common practice in Australia. This will put greater executive focus on achieving sustained outcomes over a continuing period. Given that Macquarie has not met its EPS LTI

minimum target for 2 years this is particularly important to align with shareholder interests.

ASA is prepared to work with Macquarie in achieving a remuneration plan that is better aligned with the interests of individual shareholders.

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

It is recognised that there was a significant ($7m) downward, and appropriate adjustment to the CEO's remuneration in FY26. However, given our comments made in reference to Resolution 3 ASA will not be voting undirected proxies in support of Resolution 4.

Resolution 5a Amendment to the constitution

Item 5a is a shareholder-requisitioned special resolution to amend the constitution so that shareholders in general meeting may propose advisory ordinary resolutions expressing an opinion or request information about how powers vested in directors have been or should be exercised in relation to a material risk. If shareholders want to support the resolution this can be done by giving ASA a directed proxy.

ASA recognises the importance of shareholder rights but support the Board's view that this constitutional amendment would alter the governance framework and may encourage repeated single-issue advisory resolutions. Shareholders have adequate opportunity, at company meetings, to ask questions and express opinions about the company. ASA sees this resolution as possibly causing disruption to the orderly conduct of meetings, which is not in the best interest of all shareholders. ASA will vote undirected proxies against this resolution, but if shareholders want to support the resolution this can be done by giving ASA a directed proxy.

Resolution 5b Climate Strategy and Management Disclosures

Item 5b is conditional on Item 5a being passed.

Macquarie includes in their Annual Report a comprehensive Sustainability Report and in the Notice of Meeting outlines its current position in response to the questions asked by the resolution. ASA believes that Macquarie recognises the competing challenges and interests of achieving net zero, and it is navigating this in a measured fashion.

If this resolution is put to the meeting ASA will vote undirected proxies against it, but if shareholders want to support the resolution this can be done by giving ASA a directed proxy.

Resolution 6 Spill Resolution

ASA supports the two-strikes regime but regards a spill as a serious and disruptive step, generally appropriate only where the Board has failed to act or improve remuneration after a first strike. Macquarie has made a meaningful response to the first strike through starting to improve its disclosure and the downward remuneration adjustments. ASA therefore will vote undirected proxies against the spill resolution.

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Appendix 1
Remuneration framework detail

Remuneration structure

Table 1 Total CEO planned remuneration package	Maximum potential $m	Mix %
Fixed remuneration	**1.5**	**4%**
Short-term incentive - total (profit share**)**	**28**	**84%**
Long-term incentive	**4**	**12%**
Total	**33.5**	**100%**
Table 2 Total CEO actual remuneration package	Actual entitlement $m	Mix %
Fixed remuneration	**1.526**	**6%**
Short-term incentive - total (profit share**)**	**21**	**87%**
Long-term incentive	**1.64***	**7%**
Total	**24.166**	**100%**
Table 3 Total CEO variance to maximum potential	Variance $m	Variance %
Fixed remuneration	**0.026**	**0%**
Short-term incentive - total (profit share**)**	**-7**	**-25%**
Long-term incentive	**-2.36**	**-59%**
Total	**-9.334**	

* The LTI actual is an estimate based on the available data

Table 1 shows the Maximum potential remuneration that the CEO could have received during FY26. The remuneration at Macquarie is centred around the approach of “Pay for Performance” which accounts for the dominance of the Profit Share component.

The short-term incentive (STI), which is 84% of the maximum potential remuneration for the CEO, is the profit share arrangement. The Board determines the size of the profit pool as a percentage of NPAT - for FY26 for all KMP, this was 2.54% with the average for the past five years being 2.63% pa. It is the Board that determines the size of the profit share pools and its allocation to individual executives – the specific considerations underlying this process are described on page 145 of the annual report, although it is noted the specifics of how the process is implemented are not disclosed.

The CEO fixed remuneration did not change this year, and while it is relatively low this is appropriate given the “pay for performance” approach of Macquarie.

The long-term incentive (LTI) is based on the two measures of EPS CAGR and relative average ROE compared to a reference group performance over a four-year period for the CEO. These measures have been selected as being drivers of long-term shareholder value growth.

It is suggested that given the strong alignment with shareholder outcomes stated and its longer testing period, that the LTI be increased to be a more significant proportion of the CEO remuneration package.

Tables 2 and 3 show the actual remuneration. There are two reasons for the significant variances.

The Profit Share was reduced by $7 million. The Board considered that while Macquarie had shown strong financial performance during FY26, it was necessary that risk and regulatory matters across FY25 and FY26 were reflected in the Profit Share outcome. Therefore, the CEO’s profit share allocation was reduced by 25%.

The outcome of the LTI for FY26 is shown in this table and of particular interest to shareholders is the zero outcome for EPS CAGR award for last two years.

PSUs vesting during FY2026

The FY2021 PSU awards completed their performance period during FY2026 (on 30 June 2025). The EPS CAGR hurdle was not met, whilst the relative average ROE performance hurdle was partially met. As a result, 41% of the FY2021 PSUs became exercisable on 1 July 2025. PSU vesting outcomes in the prior three years are also set out in the below table.[5]

Year vested	PSU award	EPS CAGR Hurdle (50% weighting)			ROE Hurdle (50% weighting)			Overall vesting outcome
		Macquarie result	Hurdle	Outcome	Macquarie result	Hurdle	Outcome	
FY2026	**2021 Award**	3.81%	50% at 7.5% CAGR 100% at 12% CAGR	0% exercisable	14.40% (66th percentile)	50% above the 50th percentile 100% at the 75th percentile	82% exercisable	**41% exercisable**
FY2025	**2020 Award**	3.75%		0% exercisable	14.80% (66th percentile)		82% exercisable	**41% exercisable**
FY2024	**2019 Award (Tranche 2)**	11.26%		92% exercisable	15.34% (88th percentile)		100% exercisable	**96% exercisable**
FY2023	**2019 Award (Tranche 1)**	12.93%		100% exercisable	15.04% (88th percentile)		100% exercisable	**100% exercisable**

Remuneration Benchmarking

By Australian standards the CEO's total remuneration is high.

ASA recognises the global reach of Macquarie and the international nature of the market for talent that Macquarie is competing in. Therefore, in considering the fairness of her package ASA worked with Macquarie to understand how they determined the right level of remuneration.

Macquarie publish a list of 9 international companies that they consider they compete with for talent and they provided ASA with CEO remuneration information for each company. Each of these companies is very different in terms of their size, nature of their business, remuneration quantum, geographic location and history.

Given the range of companies, ASA sought to narrow the list down to those who we believed would give us the most effective and fairest comparison for Macquarie. We used market cap (converted to AUD) of each company in the following table.

We were of the view that Lazard with a market cap of $6b was too small and that the 5 larger companies with market cap ranging from $351b to $1,317b were also not direct competition for CEO talent.

Thus, our review is limited to Deutsche Bank, Barclays and UBS.

There was also a significant leap in maximum remuneration package outside of this selected group, reinforcing this group of three as the most appropriate for ASA's evaluation of the quantum of Macquarie's CEO remuneration.

Market capitalisation of Macquarie remuneration peer group

Company	**Market cap USD**	**USD to AUD**	**Market cap AUD bn**	**Position**	**Total** maximum **remuneration AUD m**
Lazard	4.09	0.68	6.01	1	27.21
Macquarie	—	—	**95.90**	**2**	**33.50**
Deutsche Bank	70.86	0.68	104.21	3	21.51
Barclays	93.60	0.68	137.65	4	27.86
UBS	167.30	0.68	246.03	5	27.31
Citigroup	238.73	0.68	351.07	6	81.02
Goldman Sachs	301.20	0.68	442.94	7	97.32
Morgan Stanley	350.30	0.68	515.15	8	95.07

Bank of America	413.70	0.68	608.38	9	78.89
JP Morgan	896.22	0.68	1,317.97	10	94.98

Extract from remuneration data provided to ASA by Macquarie

Company	Base	STI upfront	STI deferred	LTI grant	LTI max	Total post adj.	Var. post	Total pre adj.	Var. pre
Lazard	1.40	6.05	0.00	15.82	19.77	27.21	-3%	27.21	23%
Macquarie — pre adj.	1.50	6.30	21.70	4.00	4.00	—	—	**33.50**	—
Macquarie — post adj.	1.50	6.30	14.70	4.00	4.00	**26.50**	—	—	—
Deutsche Bank	6.65	4.68	0.72	6.30	9.45	21.51	23%	21.51	56%
Barclays	3.25	3.37	3.37	17.87	17.87	27.86	-5%	27.86	20%
UBS	4.68	4.53	6.79	11.32	11.32	27.31	-3%	27.31	23%
Citigroup	2.33	9.46	22.02	31.48	47.22	81.02	-67%	81.02	-59%
Goldman Sachs	3.10	15.71	5.24	48.84	73.27	97.32	-73%	97.32	-66%
Morgan Stanley	2.33	16.86	0.00	50.59	75.88	95.07	-72%	95.07	-65%
Bank of America	2.33	0.00	30.62	30.62	45.94	78.89	-66%	78.89	-58%
JP Morgan	2.33	7.75	0.00	56.60	84.90	94.98	-72%	94.98	-65%

This table shows the individual components of the CEO remuneration of each listed company, the total remuneration of each CEO and the variance between the Macquarie CEO and each other CEO as a percentage. Where the percentage number is blue, this indicates how much less than Macquarie that CEO receives. Where it is red, the CEO earns more than the Macquarie CEO.

In presenting this information to us, Macquarie took the view that the correct maximum remuneration package to use for comparison purposes was the amount its CEO actually received – that is, after the $7m adjustment to the STI, being a total of $26.6m. ASA is of the view that the maximum should include the foregone amount of $7m, being $33.5m total remuneration.

For that reason, we have shown the outcome for both situations. The former (excluding $7m) shows Deutsche as having a maximum that is significantly less, with Barclays and Citi being very close.

In the case of the ASA position, that maximum should include the foregone $7m, the Macquarie CEO at maximum entitlement would receive significantly more than the CEOs of the three other companies.

To verify the data provided by Macquarie, ASA reviewed the annual report of each of the three comparison companies:

- Deutsche Bank described its CEO remuneration as having an overarching cap for 2025 of €12 million – at today's exchange rate (1.61), this is A$19.32m.
- Barclays shows the 2025 maximum CEO remuneration as £11.248m – at today's exchange rate (1.93), this is A$21.7m.
- UBS awarded its CEO compensation at the maximum level in 2025. This was CHF14.921m – at today's exchange rate (1.77), this is A$26.4m.

Assuming the information we obtained is correct, and the current exchange rates are valid this would further indicate that the Macquarie CEO maximum package is more than it needs to be.

Additionally, from reviewing the compensation section of these annual reports, we see generally more open disclosure and useful information that enables shareholders to see what is being achieved and why payments are being made.

Noting the variation in the proportion of remuneration of the components by company, ASA also extracted this data from the information provided by Macquarie:

	% FR to total maximum remuneration	**% STI to total** maximum remuneration	**% LTI to total** maximum remuneration
Lazard	5%	22%	73%
Macquarie (FY26)	4%	**84%**	**12%**
Deutsche Bank	31%	25%	44%
Barclays	12%	24%	64%
UBS	17%	41%	41%
Citigroup	3%	39%	58%
Goldman Sachs	3%	22%	75%
Morgan Stanley	2%	18%	80%
Bank of America	3%	39%	58%
JP Morgan	2%	8%	89%

Notable from this data is how different Macquarie is from all the other companies, particularly in terms of the lower proportion that LTI represents of the total package. This is not consistent with the interests of shareholders in seeing sustained and continuing progress of their company that comes from a long-term focus by the executive team. It is common practice for Australian companies to have about a third of remuneration in their LTI.

ASA 2026/2027 AGM Focus Issues

1. Align executive pay with long-term shareholder value
ASA expects remuneration structures to be transparent, performance-linked and credibly aligned with long-term shareholder outcomes. Companies should adopt remuneration frameworks that emphasise simplicity, clear performance hurdles, alignment with sustainable value creation and the appropriate application of board discretion. Disclosures should enable shareholders to understand how remuneration outcomes have been determined and how they reflect performance over time.

<u>Key ask</u>: ASA expects clear and comprehensive disclosure demonstrating a credible link between pay outcomes and long-term performance. Where this alignment is not evident, or disclosure is inadequate, ASA is likely to recommend voting against the remuneration report and/or relevant remuneration-related resolutions.

2. Disclose individual director skills to strengthen board accountability
ASA expects boards to demonstrate accountability through meaningful disclosure of individual director skills, experience, tenure and independence, and how these align with the company's strategic needs. Clear disclosure of board composition and its evolution supports informed shareholder voting and confidence in board effectiveness.

<u>Key ask:</u> ASA expects sufficiently detailed, decision-useful disclosure on individual directors and overall board composition. Where transparency is insufficient or alignment with strategic needs is unclear, ASA may recommend voting against the re-election of relevant directors.

3. Improve shareholder engagement and provide hybrid AGM participation
ASA supports timely, accessible and meaningful engagement with shareholders, including best-practice hybrid AGM formats. Companies should ensure shareholders are able to participate, ask questions and vote in real time regardless of location. Engagement practices should promote constructive dialogue both at and beyond the AGM.

<u>Key ask</u>: ASA expects companies to adopt hybrid AGM formats and engagement practices that provide equitable participation for all shareholders. Limitations on access or engagement may be reflected in ASA's voting recommendations on governance-related resolutions.

4. Strengthen board oversight of AI and cybersecurity risks
ASA expects boards to demonstrate active and informed oversight of material technology-related risks, including artificial intelligence and cybersecurity. Boards should maintain sufficient literacy to challenge management, oversee governance frameworks and ensure that AI use aligns with the company's risk appetite and enterprise risk management processes.

<u>Key ask:</u> ASA expects clear, entity-specific disclosure demonstrating robust board oversight and active management of material AI and cybersecurity risks. Where governance or disclosure is inadequate, ASA may take this into account when considering the election or re-election of directors with relevant oversight responsibilities.