

CHAIR'S ADDRESS

MACQUARIE GROUP LIMITED ANNUAL GENERAL MEETING 2025

24 JULY 2025

1 ELIZABETH STREET, SYDNEY

Check against delivery

Introduction

Good morning, everyone and welcome to Macquarie Group's 2025 Annual General Meeting. I am Glenn Stevens, and it is my privilege to Chair the Board of your company and today's proceedings. I note that a quorum is present and declare the meeting open. Today's hybrid meeting allows us to also welcome shareholders electronically from around the world.

I acknowledge the traditional owners of the lands from where I speak to you today, the Gadigal people of the Eora nation, and pay my respects to their elders, past, present and emerging.

With me here on the stage are our non-executive directors Rebecca McGrath, Phil Coffey, Susan Lloyd-Hurwitz, Jillian Broadbent, Mike Roche and Michelle Hinchliffe, our CEO Shemara Wikramanayake, CFO Alex Harvey and Company Secretary Simone Kovacic. Wayne Byres, Ian Saines and David Whiteing, our Bank-only Directors, are also present in the room. Present in the room or online are Macquarie Bank CEO Stuart Green and Group Heads Greg Ward, Ben Way, Michael Silverton, Nicole Sorbara, Andrew Cassidy and Evie Bruce.

The order of proceedings is as set out in the documents. After some brief remarks from me, Shemara will take you through the 2025 full year results, provide a first quarter 2026 update and speak to the outlook for the 2026 financial year. We will then hear from Directors who are seeking re-election to the Board today: Phil Coffey, Michelle Hinchliffe and Jillian Broadbent. Following that, I will formally open the polls, and then we will take a break. We look forward to meeting those of you who are here in person during the break. After the break, we will re-convene to address the formal items of business on the agenda and open for questions. If you are participating online, you can send in your questions from now and we will address them during the formal business.

FY25 Financial Performance

Macquarie Group delivered a profit of \$3.7 billion in FY25, up five per cent on the previous year's result. Reflecting more subdued conditions in global energy and certain commodity markets, profits in Commodities and Global Markets were down, while they were up in Macquarie Asset Management due to improved asset realisations. Macquarie Capital's result was broadly in line with the prior year, while profits increased in Banking and Financial Services, helped by further growth in key portfolios.

The company earned a return on shareholders' funds of 11.2 per cent, higher than the previous year, though lower than what Macquarie has typically achieved over the past decade.

Management remains focused on costs and efficiency improvements, and this has seen a 7% reduction in the company's headcount since its peak in late 2023. The focus on remediation of regulatory issues, and associated strengthening of the company's risk culture also continues.

Macquarie's operating businesses continue to focus on growing activities with the potential of earning a higher risk-adjusted return on shareholders' capital over the longer term. Disciplined capital allocation is key, and Macquarie is willing not only to give priority to the most promising opportunities, but also to divest businesses that are no longer central to our strategy or whose prospects could be improved under alternative ownership. The past year has seen a few such transactions.

The company ended the year in a strong financial position, with surplus capital at Group and Bank levels. The Board declared a final dividend of \$A3.90 per share, for a total dividend of \$A6.50 per share for the full year. This was in keeping with the Board's policy of paying between 50 and 70 per cent of earnings in dividends. The on-market buy-back for Macquarie Group shares continues, with over \$A1 billion returned to shareholders under this program. On 1 November 2024, the Board also approved an

extension of the program for a further 12 months, preserving flexibility to return capital to shareholders where we do not see clear opportunities to deploy that capital in a way that generates an appropriate return.

Risk Culture

Macquarie continues to adapt to this changing environment and is well positioned to respond to emerging opportunities. As we do so, understanding and managing the associated risks, and ensuring that shareholders are properly compensated for bearing them, remains critical. Attention to strengthening further the risk management framework is an ongoing focus given the ever-changing risk environment.

Risk culture is central, and a great deal of work has been done over the past several years to respond to changes in our business operations and the expectations of regulators and the communities in which we operate. Where shortcomings are identified, the Board holds staff accountable, seeks to incentivise future improvement and reflects on what the issue might tell us about the organisation's culture. This was the approach adopted in response to the licence conditions imposed earlier this year by ASIC on Macquarie Bank. There were remuneration impacts for several Executive Committee members and others, and these impacts also incorporated incentives for all senior executives to resolve the issues. The company is also directing significant

resources into a range of remediation activities, as well as continuing to invest in programs to further reinforce our frameworks, systems and controls.

The civil proceedings commenced by ASIC primarily in relation to inaccurate short sale transaction reporting arose after our results announcement. The matter is currently before the NSW Supreme Court so I am limited in what I can say.

But where there are problems the company addresses them. In fact, it was as a result of Macquarie's efforts to improve this inherently complex process that issues in the reporting from earlier periods came to light. These were duly reported to the market operator and ASIC. Macquarie found a problem, owned it, and moved to address it. The reporting issues identified in the proceedings have been remediated with additional controls implemented. The company has been working on strengthening reporting across the board for some years. That journey is well advanced across much of our business, but not yet complete; it continues.

So far as remuneration impacts are concerned, this will be an FY26 matter, about which the board will come to a view over the period ahead. I also acknowledge that, while Macquarie's remuneration system is strongly supported by shareholders, a number of shareholders have the view that the board has not adequately reflected risk shortcomings in our FY25 decisions. The

Board hears your message and will reflect carefully on addressing those concerns.

Sustainability

Macquarie is well-positioned to continue playing a constructive role as a financier, adviser, investor and fiduciary in the sustainability space. We expect this to be to the benefit of shareholders.

This year we note the proposed resolutions requisitioned by a group of shareholders, being Items 5a and 5b. The Board's response to each proposed resolution is set out in the explanatory materials to the Notice of Meeting with our unanimous recommendation that shareholders vote against resolutions 5a and 5b. Importantly, the Board does not believe that the constitutional amendment proposed in Item 5a will improve the ability for shareholders as a whole to provide feedback on how Macquarie is managed. Item 5b is an advisory resolution and will only be put to members at the meeting if Item 5a is passed.

Macquarie has been consistent in our response to climate change. We accept the best available science. We think our best response to climate change will come from positive and practical solutions, enabled by our core capabilities. We think the transition to decarbonised energy must be managed and orderly. Simply shutting down oil and gas is not viable. We recognise the reality

that, even as net zero objectives are pursued, the world will need carbon-based energy for quite some time.

These principles will guide activity as Macquarie's climate strategy and disclosures continue to evolve to meet the needs of clients and investors, and the requirements of governments and regulators across markets, including efforts towards more consistent disclosure. As part of that evolution, the company remains committed to effective shareholder engagement, and to ensuring all relevant information is disclosed to shareholders. As part of that process, we have engaged with a broad array of stakeholders on sustainability related issues over the past year, and remain open to constructive, relevant, and practical feedback on disclosures.

Board Update

There have been no changes to the Macquarie Group Board since our last Meeting.

I am grateful Jillian Broadbent, Phil Coffey and Michelle Hinchliffe are offering themselves for re-election. Jillian's extensive investment banking industry knowledge and market expertise and Phil's and Michelle's extensive Australian and international experience in the financial services sector add material value to the Board's deliberations and strengthen our oversight capacity.

On the Board's behalf, it remains for me to thank the staff and management of Macquarie, for their efforts in a challenging year. This is a high-performing team that remains focused on delivering the best possible results for shareholders.

Fellow shareholders, that concludes my opening remarks. Thank you for your attention and for your ongoing support of Macquarie. I now invite Shemara to discuss the results in more detail and to update you on recent performance.