

# Macquarie Group Limited

## Policy on Director Independence

A Voting Director (Director) will be considered independent if they are free of any interests, positions or relationships that could materially interfere with the Director's capacity to bring independent judgement on matters before the board and act in the best interests of Macquarie Group Limited (Macquarie). The Board of Macquarie comprises a majority of Independent Directors, and one of the Independent Directors is appointed Chairman.

The independence of each Non-Executive Director (NED) is considered prior to appointment and then confirmed annually by the Board Governance and Compliance Committee (BGCC). Prior to the BGCC's consideration of Director independence, each NED is asked to declare whether they have any interests, positions or relationships that could materially interfere with the Director's capacity to act in the best interests of Macquarie (Declaration). Each NED is also asked to provide information regarding relationships with Macquarie, including relationships of close personal ties with Macquarie, for review by the BGCC.

Examples of interests, positions and relationships that might raise issues about the independence of a Director of Macquarie include if the Director:

1. is, or has been employed in an executive capacity by Macquarie or any of its child entities and there has not been a period of at least three years between ceasing such employment and serving on the Board;
2. receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, Macquarie;
3. is, or has been within the last three years, in a material business or contractual relationship (e.g. as a supplier, professional adviser, consultant or customer) with Macquarie or any of its child entities, or is an officer of, or otherwise associated with, someone with such a relationship;
4. is, represents, or is or has been within the last three years an officer or employee of, or professional adviser to, a substantial holder;
5. has close personal ties with any person who falls within any of the categories described above; or
6. has been a Director of Macquarie for such a period that their independence from management and substantial holders may have been compromised.

In each case, the materiality of the interest, position or relationship needs to be assessed by the Board to determine whether it might interfere, or might reasonably be seen to interfere, with the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of Macquarie as a whole rather than in the interests of an individual security holder or other party.

The Board believes that independence is evidenced by an ability to constructively challenge and independently contribute to the work of the Board. It is the policy of the Board that a majority of the members of each Board Committee should be independent Directors, that the

Board Audit Committee will comprise only of independent Directors and that each Board Committee be chaired by an independent Director.

The Board manages potential conflicts that may arise from disclosed business relationships or interests in accordance with its guidelines for Board members declaring and dealing with conflicts of interest.

**Date:** 1 April 2020