

Macquarie Group Limited

Trading Policy

This Policy sets out the trading restrictions that apply to trading in Macquarie securities (as defined in this Policy) by Macquarie Employees, including Key Management Personnel (KMP).

INTRODUCTION

This Policy has been developed to:

- satisfy statutory and regulatory obligations;
- meet industry practice and market expectations; and
- manage the potential risk to Macquarie's reputation having regard to the nature of its business.

Macquarie adopts the broader concept of "dealing" for the purposes of this Policy. Macquarie considers dealing to include, without limitation, securities transactions such as transfers of beneficial ownership and trading (either directly or indirectly).

APPLICATION

This Policy applies to all Macquarie staff, defined to include:

- Employees;
- KMP; and
- persons over whom an Employee or KMP has or is deemed to have investment control or influence.

KEY PRINCIPLES AND GENERAL APPLICATION

- Macquarie staff must conduct their personal investment activity lawfully and in a manner that avoids a conflict of interest between their own interests and duties owed to Macquarie or its clients.
- Macquarie staff may deal in a Macquarie security only during designated Staff Trading Windows, subject to clearance by Compliance within the Risk Management Group (Compliance).
- Dealing in Macquarie securities while in possession of inside information is prohibited by the Corporations Act 2001 (the Act), even if the dealing may otherwise be permitted under this Policy. Macquarie staff are prohibited from trading, advising or procuring any other person to trade any security, including a Macquarie security (even if the designated Staff Trading Window is open), if they possess non-public price-sensitive information about or affecting the relevant security.
- All personal dealing in a Macquarie security by Macquarie staff must be pre-cleared by Compliance (refer below).
- Macquarie staff may not enter into a transaction that is designed or intended to hedge a Macquarie staff member's exposure to a Macquarie Group share that is subject to minimum shareholding requirements or retention arrangements or to an unvested Macquarie option. However, Macquarie staff may enter into a transaction intended to hedge vested Macquarie shares and/or stock options subject to pre-clearance and other general personal dealing requirements.
- Macquarie staff who enter into margin loans or other financing arrangements over Macquarie securities should ensure they have sufficient available cash or other acceptable collateral to meet margin calls including during a period of extreme sudden market downturn.

STAFF TRADING WINDOWS

- Macquarie staff are only permitted to deal in a Macquarie security during a Staff Trading Window, with the exception of an Excluded Dealing.
- The Staff Trading Windows provide a conditional exception to the general prohibition, rather than permission to trade. Any trading during a Trading Window is subject to clearance procedures.
- Dealing in a Macquarie security during a closed period or prohibited period by Macquarie staff is strictly prohibited, unless it is an Excluded Dealing or exceptional circumstance (refer below).

CLEARANCE PROCEDURES

- With the exception of Excluded Dealings, a personal dealing in Macquarie securities by Macquarie staff must be pre-cleared against Macquarie's conflicts management systems.
- Macquarie staff may also be subject to additional business group or jurisdictional specific requirements and must consult their business group policy for details.
- Macquarie staff are ultimately responsible for ensuring that their personal dealings in Macquarie securities comply with all applicable laws and regulations. Where pre-clearance is received and business group approval provided, employees must satisfy themselves that the relevant dealing is appropriate and that they do not hold any non-public, price-sensitive information that would affect Macquarie securities.

EXCLUDED DEALINGS

The following are Excluded Dealings for the purposes of this Policy. They may be effected outside the Staff Trading Window and are not subject to pre-clearance from Compliance:

1. the exercise of vested options by Macquarie staff under the Macquarie Group Employee Option Plan¹ (but not the sale of securities following the exercise);
2. the acquisition of a Macquarie security pursuant to an employee share (or similar) plan under the terms of that plan and the relevant offer document or pursuant to the terms of a business acquisition or individual employment agreement;
3. dealing under an offer or invitation made to all or most Macquarie security holders, including but not limited to participation in:
 - the Macquarie Dividend Reinvestment Plan
 - any Macquarie share purchase plan;
 - a rights issue; or
 - an equal access buy-back;
4. conversion of a convertible Macquarie security (including exchangeable shares issued by a subsidiary to a vendor upon acquisition of a business) but not the sale of the securities following conversion;
5. public offerings of Macquarie securities to Macquarie staff;
6. undertakings to accept, or the acceptance of a takeover offer; and
7. certain investments in financial instruments or accounts where underlying investment decisions are not (and cannot be) made or influenced by the Macquarie staff investor. For example, contributions into a superannuation fund (excluding SMSFs), investments in non-discretionary funds or funds of funds and cash deposit accounts.

The following dealings are not subject to pre-clearance through Compliance but may only be effected during a Staff Trading Window:

- the exercise of DSUs or PSUs under the MEREP;
- the withdrawal of RSUs under the MEREP; and
- the retraction of Exchangeable Shares.

¹ The exercise of vested options will require the approval of Corporate Governance Division.

KEY DEFINITIONS

For the purposes of this Policy the following terms have the meaning set out below:

Closed period:	any period outside of the Staff Trading Windows.
Employee	<ul style="list-style-type: none"> any full-time or part-time person employed by Macquarie regardless of seniority, Business Group or geographical location; temporary employees, consultants, contractors, or secondees working at Macquarie for three months or more; and any other person determined by the Head of Compliance to be an Employee for the purposes of this Policy.
Excluded Dealing	a dealing in Macquarie securities that may be effected outside of a Trading Window and is not subject to pre-clearance procedures.
Key Management Personnel (KMP)	all Voting Directors and members of the Executive Committee of Macquarie Group Limited.
Macquarie:	Macquarie Group Limited.
Macquarie security:	includes a Macquarie Group Limited ordinary share, Macquarie Income Security (MIS), Macquarie Convertible Note (MCN), Exchangeable Shares, Restricted Share Units (RSUs), Deferred Share Units (DSUs) or Performance Share Units (PSUs) issued under the Macquarie Employee Retained Equity Plan (MEREPE) and debt or hybrid securities issued by a Macquarie entity, as well as a structured financial product, swap, futures contract, contract for difference, spread bet, option, warrant, depositary receipt or other derivative over a Macquarie Group ordinary share, MIS, or a debt or hybrid security issued by a Macquarie entity, whether issued or written by Macquarie or a third party.
Prohibited period:	includes the closed period, and any other specific periods where Macquarie staff are prohibited from dealing in Macquarie securities as determined by Macquarie from time to time.
Staff Trading Window:	subject to Macquarie's discretion, a period of up to five weeks following the release of Macquarie's interim results (November/December), final results (May/June) and Annual General Meeting (July/August) and other specific periods where Macquarie has publicly released all relevant price-sensitive information.
Voting Director:	a non-executive director or an Employee of Macquarie who is also on the Board of Macquarie Group Limited.

INSIDER TRADING – INSIDE INFORMATION

The Act prohibits the dealing in any financial products by those in possession of inside information. Inside information is information that:

- is not generally available; and
- if it were generally available, would, or would be likely to influence investors in deciding whether to buy or sell a company's securities.

Where a person has inside information in relation to securities of any company, that person must not deal in those securities, advise others or procure others to trade in the securities or pass on the inside information to any person that will use that information to trade in, or procure someone else to trade in, the securities.

A breach of the relevant provisions may result in:

- criminal penalties of up to \$A200,000 or imprisonment or both; and/or
- civil penalties of up to \$A200,000 in fines (for individuals).

Dealing in Macquarie securities is prohibited at any time that a Macquarie staff member possesses inside information, regardless of whether this Policy provides that dealing may occur in a Trading Window, or whether it is otherwise excluded from the operation of this Policy.

CONSEQUENCES OF BREACH OF THIS POLICY

- It is a condition of employment with Macquarie that all Macquarie staff adhere to the principles and standards of conduct outlined in this Policy. Failure to comply may result in the relevant Macquarie staff member being subject to disciplinary action, including possible dismissal. In addition, violation of the Policy may result in the Macquarie staff member being exposed to potential civil or criminal liability in accordance with applicable laws and regulations.
- Compliance will report serious or repeated breaches of the Policy to the Macquarie Executive Committee and the Board of Directors of Macquarie as part of normal reporting processes.

EXCEPTIONAL CIRCUMSTANCES

- A specific waiver from the prohibitions on dealing in a Macquarie security outside a Staff Trading Window may be granted in exceptional circumstances. Exceptional circumstances include where a Macquarie staff member may need to deal in a Macquarie security:
 1. by compulsion of law or regulation. For example, a court order or court enforceable undertaking to transfer or sell Macquarie securities; and
 2. on account of severe financial hardship. For example, where the staff member has a pressing/urgent financial commitment that cannot be met other than by selling Macquarie securities.

By their nature, not all exceptional circumstances can be specified in advance and there may be a range of other circumstances not identified in this Policy that may be deemed exceptional by Compliance. As a general guide, the Macquarie staff member must satisfy the relevant officer that they are in severe financial hardship or that the circumstances are otherwise exceptional, and that the proposed dealing is the only action available.

PROCEDURE FOR WAIVER REQUESTS IN EXCEPTIONAL CIRCUMSTANCES

- A waiver request must be submitted to Compliance in writing, accompanied by a statutory declaration from the requesting Macquarie staff member declaring that:
 1. the proposed dealing is the only action available; and
 2. they do not possess non-public price-sensitive information affecting any Macquarie security.
- Compliance must then seek approval from the Global Head of Compliance, the Head of Risk Management Group or the Deputy Managing Director.
- Macquarie reserves the right to seek any additional information or evidence from a Macquarie staff member requesting a specific waiver at any time during the determination process.

- Requests for a specific waiver for exceptional circumstances are dealt with on a case-by-case basis, the granting of a specific waiver is at Macquarie's sole discretion, and such dealings may still be subject to the pre-clearance process.
- Clearance to deal in exceptional circumstances will be provided in writing. Once clearance is received, the following applies:
 1. the staff member must effect the instructions to deal within 24 hours;
 2. once clearance has been received the dealing must be executed by the end of the following business day; and
 3. if the dealing is not executed by the end of the following business day, the clearance to deal lapses and the staff member must submit a subsequent waiver request to Compliance.

FINANCING ARRANGEMENTS IN RESPECT OF MACQUARIE SECURITIES – KEY MANAGEMENT PERSONNEL

- KMP who enter into margin loans or other financing arrangements over Macquarie securities should ensure they have sufficient available cash or other acceptable collateral to meet margin calls, including during a period of extreme sudden market downturn.
- KMP must annually disclose their financing arrangements relating to their Macquarie securities to Macquarie.
- KMP must inform the Company Secretary immediately if the following circumstances apply:
 1. The KMP holds Macquarie securities that have been lent, mortgaged or charged to a financier;
 2. Circumstances have arisen in which the financier is entitled or likely to become entitled to exercise a right under the finance arrangements to demand payment; and
 3. The KMP expects that the demand will not be able to be satisfied without the disposal of securities representing at least 1% of the total number of issued securities of Macquarie.
- Voting Directors may not enter into a transaction that operates to limit or reduce the economic risk of his or her shareholding below the minimum personal shareholding requirement.

Date: 17 June 2013