

# Macquarie Group

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# Contents

<b>Macquarie at a glance</b>	<b>3</b>
<b>Our culture</b>	
Our business approach	14
Our community engagement	24
<b>Our global presence</b>	
Australia and New Zealand	33
Asia	36
Europe, the Middle East and Africa	46
Americas	50
<b>Our expertise in focus</b>	
Infrastructure	54
Energy	76
Technology	91
Commodities	108
Renewables	118



# Macquarie at a glance

Empowering people to innovate and invest for a better future



## Global financial group

- **Headquartered** and listed in Australia
- **Top 10** Australian company<sup>1</sup>
- **~\$A29 billion** market capitalisation
- **15,849 employees** in 31 markets
- **\$A598.9 billion** assets under management



## Diverse business mix

Located in **31 markets**, we conduct a mix of annuity-style and markets-facing activities that deliver solid returns in a **range of market conditions**



## Long-term orientation

- **51 years** of unbroken profitability
- 29 years MBL S&P 'A' credit rating<sup>2</sup>
- **Strong funding and capital** position



## Outcome-focused culture

- **Opportunity** for our clients, communities and staff
- **Accountability** for outcomes
- **Integrity** in everything we do



# Global financial group

## Australia and New Zealand



People  
**6,670<sup>2</sup>**

Assets under management  
**\$A116.4 billion**  
employing 7,000+ people<sup>3</sup>

## Asia



People  
**4,014<sup>2</sup>**

Assets under management  
**\$A66.9 billion**  
employing 50,000+ people<sup>3</sup>

## Europe, the Middle East and Africa



People  
**2,409<sup>2</sup>**

Assets under management  
**\$A132 billion**  
employing 57,000+ people<sup>3</sup>

## Americas



People  
**2,756<sup>2</sup>**

Assets under management  
**\$A291.6 billion**  
employing 27,000+ people<sup>3</sup>



**15,849** people<sup>4</sup> in  
**31** markets<sup>2</sup>

● Locations  
● Regional headquarters

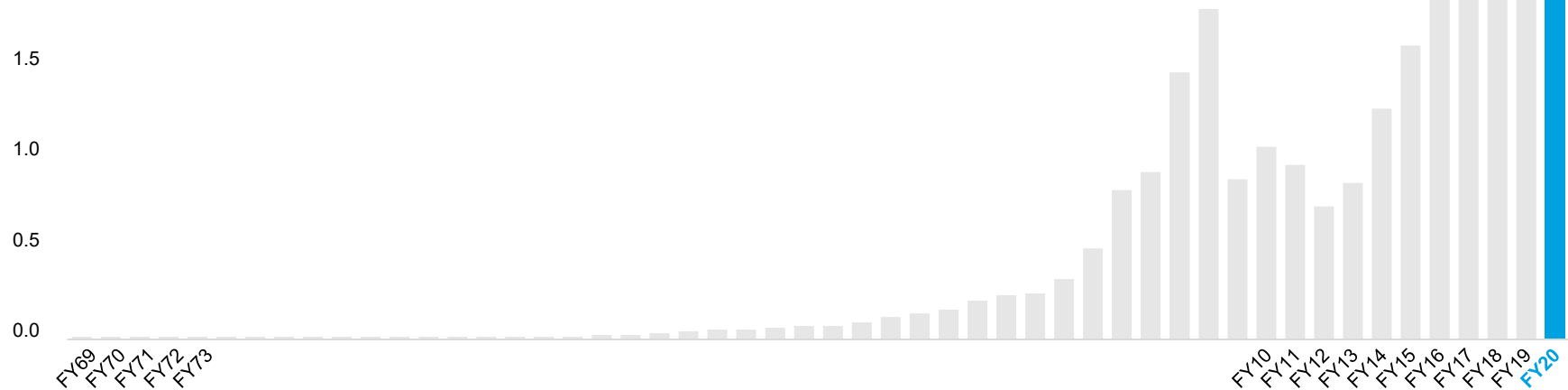
1. Represents net operating income at 31 March 2020, excluding earnings on capital and other corporate items.  
2. At 31 March 2020. 3. Includes staff employed at MIRA-managed fund assets and investments where Macquarie Capital holds a significant influence. 4. Includes staff employed in certain operationally segregated subsidiaries throughout the presentation.  
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# 51 years of unbroken profitability

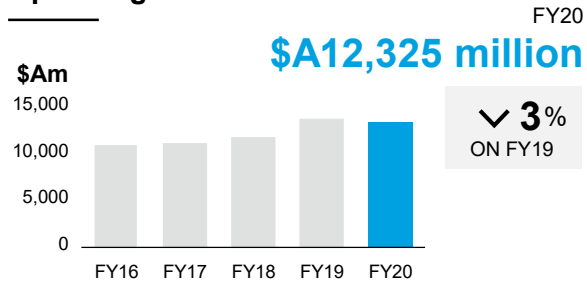
Performance (ASX: MQG)	Total shareholder return <sup>1</sup>	Earnings per share CAGR	Dividends per share CAGR	ASX 20 <sup>2</sup>	Diversified Financials <sup>2</sup>	MSCI World Capital Markets <sup>2</sup>	MSCI World Banks <sup>2</sup>
<b>Since listing</b>	5,019%	11%	11%	2nd	1st	1st	1st
<b>5 year</b>	50%	10%	5%	6th	3rd	15th	5th

**\$A2,731 million**  
FY20 profit

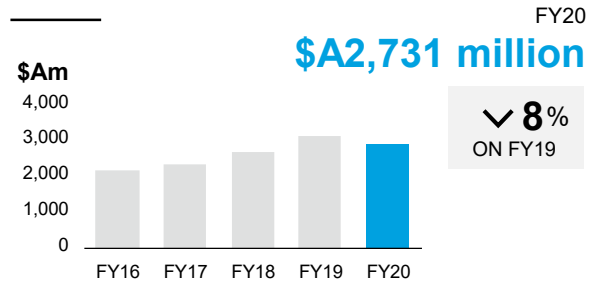


# Consistent financial performance

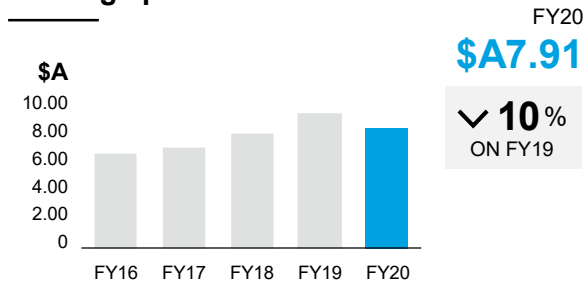
## Operating income



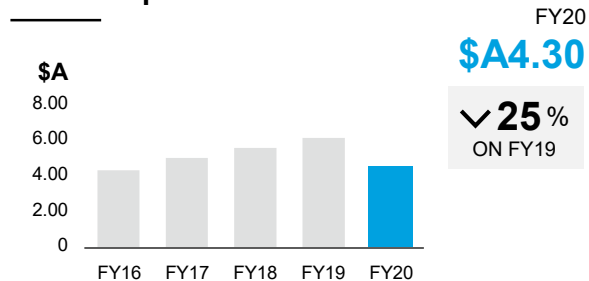
## Profit



## Earnings per share



## Dividend per share





# Diverse business mix



## Annuity-style activities

### Net Profit Contribution

#### Macquarie Asset Management

Provides investment solutions to clients across a range of capabilities, including infrastructure and renewables, real estate, agriculture, transportation finance, private credit, equities, fixed income and multi-asset solutions

- **Top 50** global asset manager<sup>1</sup>
- **\$A597.7 billion** assets under management<sup>2</sup>, diversified across regions, products, asset classes and investor types

#### Banking and Financial Services

Provides a diverse range of personal banking, wealth management, business banking and vehicle finance<sup>3</sup> products and services to retail clients, advisers, brokers and business clients

- **\$A79.1 billion** funds on platform<sup>4</sup>
- **\$A52.1 billion** loan and lease portfolio<sup>5</sup>
- **\$A63.9 billion** total BFS deposits<sup>6</sup>

#### Commodities and Global Markets

Diverse platform covering more than 25 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
- Provides clients with risk and capital solutions across physical and financial markets

## Markets-facing activities

### Net Profit Contribution

#### Macquarie Capital

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

### FY20 Net Profit Contribution

MAM  
~40%

BFS  
~14%

CGM  
~9%

CGM  
~23%

MacCap  
~14%

# Macquarie Asset Management

Actively manages money for investors across multiple asset classes



Equities



Fixed income



Multi-asset



Infrastructure



Renewables



Agriculture



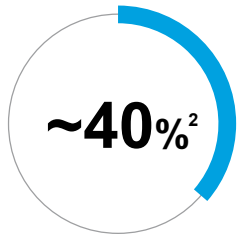
Real Estate



Transportation  
Finance



Private Credit



**\$A2,177 million**

FY20 net profit contribution<sup>1</sup>

**\$A597.7 billion**

assets under management<sup>3</sup>

1. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax.  
2. Based on FY20 net profit contribution from operating groups. 3. At 31 March 2020. 4. Based on AUM. IPE Real Assets  
Top 75 Infrastructure Investment Managers 2019, published in July/August 2019. 5. P&I Largest Money Managers 2019.  
6. At 31 March 2020. Simfund Fund Family AUM (excludes passive/index funds).  
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**No.1**

infrastructure  
manager globally<sup>4</sup>

**150+** infrastructure  
and real assets used by  
~100+ million people every day



**Top 50**

global asset manager<sup>5</sup>

**Top 50**

US active mutual  
fund manager<sup>6</sup>





# Banking and Financial Services

**A technology-driven** Australian retail bank and wealth manager



## Personal banking

Credit cards  
Home loans  
Bank accounts  
Vehicle finance



## Wealth management

Investments  
Financial advice  
Wrap



## Business banking

Property services  
Professional services  
Dealer and wholesale finance

**\$A770 million**

FY20 net profit contribution<sup>1</sup>

More than

**1.6 million** Australian clients

**~14%<sup>2</sup>**

1. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax.  
2. Based on FY20 net profit contribution from operating groups. 3. Winner in 2020 Mozo Experts Choice Awards for Exceptional Everyday Account, Excellent Banking App and Internet Banking / Macquarie Transaction account awarded a Canstar 5 star rating for outstanding value travel debit card / Winner in the 2019 Mozo Experts Choice Awards for Internet Banking and Exceptional Everyday Account / Winner in the 2018 Mozo Experts Choice Awards in the Travel Money/International Money Transfer category. 4. At 31 March 2020.  
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**Award winning**  
digital banking offering<sup>3</sup>

**Australia's 1st**  
open banking platform gives  
customers control over their data

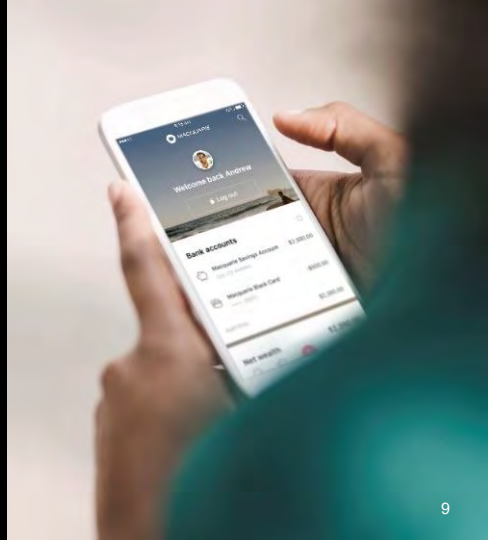
A leading Australian  
vehicle financier  
**475,000+** vehicles

**\$A63.9 billion**  
total BFS deposits<sup>4</sup>

**\$A52.1 billion<sup>4</sup>**  
Australian loan and lease portfolio

30+ years bringing  
innovation and competition  
to Australian consumers

**Rebuilt our tech stack and are  
the first to offer lending and  
retail deposits on one core  
banking system**



# Commodities and Global Markets

**Provides clients** with access to markets, financing, financial hedging, research and market analysis and physical execution



**30+ years**

in metals, agriculture, equities, futures and FX



**20+ years**

in technology, media and telecoms (TMT)



**15 years**

in energy, renewables and sustainability

**\$A1,746 million**

FY20 net profit contribution<sup>1</sup>

**200+** products  
across 25+ market segments

**~32%<sup>2</sup>**

1. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax.  
2. Based on FY20 net profit contribution from operating groups. 3. Platts Q4 – March 2020. 4. 31 March 2020. 5. At 31 March 2020 in the Specialised and Asset Finance (SAF) division. 6. At 31 March 2020, largest independent meter funder in UK, not part of a distribution network or vertically integrated utility. 7. SAF TMT origination data as at 31 March 2020. 8. 2019 Energy Risk Awards.

**No.2**

**physical gas** marketer  
in North America<sup>3</sup>

Differentiated insights on

**1,200+**

listed companies globally<sup>4</sup>

**\$A8.5 billion**

asset finance portfolio<sup>5</sup>



MACQUARIE



**10 million+**  
**meters** provided for  
**homes and businesses<sup>6</sup>**

**Leased 2 million+**  
**smartphones** worldwide  
to telcos<sup>7</sup>

**Natural Gas / LNG**  
House of the Year<sup>8</sup>

**Research House**  
of the Year<sup>8</sup>





# Macquarie Capital

Advises and invests alongside clients and partners to **realise opportunity**



Infrastructure



Green Energy



Technology



Telecommunications  
& Media



Resources



Real estate



Industrials



Healthcare



Financial institutions



Consumer,  
Gaming & Leisure



Services



Aerospace, Defence  
& Government Services

**\$A755 million**

FY20 net profit contribution<sup>1</sup>

**\$A319 billion**

completed deals in FY20<sup>3</sup>

**~14%<sup>2</sup>**

1. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax.  
2. Based on FY20 net profit contribution from operating groups. 3. Dealogic and IJGlobal for Macquarie Group completed M&A, balance sheet investments, ECM and DCM transactions converted at the relevant report date. Deal values reflect the full transaction value and not an attributed value. 4. Inspiratia (CY19, by deal count and transaction volume). 5. Refinitiv (FY20, No.1 for completed deals in ANZ by deal count). 6. Partnership Awards 2019. 7. Infraction CY19 by deal value.  
8. Global Finance (2019).  
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## No.1 Global Infrastructure

Financial Advisor<sup>4</sup>

## No.1 in ANZ

for completed and announced M&A<sup>5</sup>

**Financial Advisor of the Year<sup>6</sup>**

**No.1 Global Power Financial Advisor<sup>7</sup>**

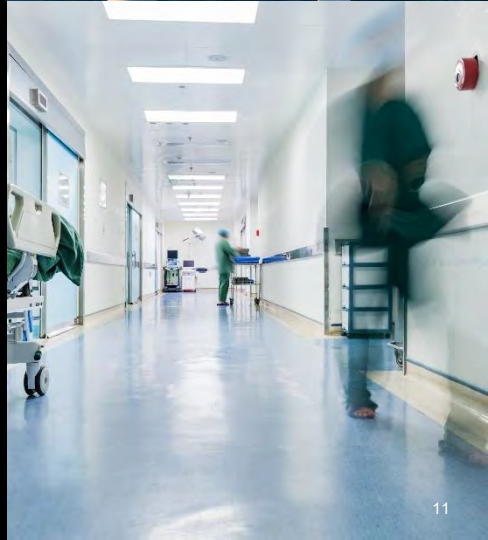
**Global Finance Best Investment Bank Award 2019** Infrastructure sector<sup>8</sup>

**Global leader** in green energy

**250+ green energy projects** under development or construction

**Best Education and Higher Education Project –** Grangegorman Campus PPP<sup>6</sup>

**Partnerships Bulletin Special Award – Acquisition of John Laing Infrastructure Fund<sup>6</sup>**



# Macquarie in the community

“

As a company is a member of the society in which it operates, it follows that one of its important duties is to work in a multitude of ways for the betterment of society. In the long run this is consistent with a company's duty to its shareholders.”

**David Clarke**  
Macquarie Group Chairman 1984–2011



**Macquarie  
Group Foundation**

**\$A51 million**

record contribution in FY20

**46,000+**

hours volunteered

**1,600+**

non-profits supported

More than  
**\$A410 million**  
contributed since 1985



**\$A20 million**

COVID-19 donation fund for  
organisations providing  
relief efforts

**Macquarie  
Group Collection**

Supporting emerging  
artists since 1986

**Macquarie Sports**

Sporting opportunities for  
children in regional and  
remote communities



# Macquarie's response to COVID-19



Supporting our people, clients, portfolio companies and the wider community

## Employees

- Moved >98% of staff to remote working by mid-March 2020 with no notable service interruption.
- Demonstrated resilience of our technology (reflecting high levels of routine flexible working).
- Continued candidate selection, onboarding and training of new hires virtually.
- Enhanced flexible leave and wellbeing programs.

## Clients

- Repayment deferrals of six months:
  - **Personal Banking<sup>1</sup> clients:** no penalty or credit score impact.
  - **Business Banking<sup>1</sup> clients:** for all loans up to \$A10 million.
  - **Leasing<sup>1</sup> clients:** 3-6 month payment deferrals available.
- Enhanced support for vulnerable customers.
- Expertise, advice and capital solutions to help clients and partners navigate COVID-19 and related disruption.

## Portfolio companies

- Working with portfolio companies to ensure BCP, financial resilience and employee wellbeing.
- Maintaining essential community services to ~100 million daily users while practicing remote working.
- Capacity upgrades to MAM's digital infrastructure assets enabled smooth handling of activity increases from widespread remote working.
- Our portfolio companies have also:
  - Repurposed carparks at MIRA's AGS Airports as mobile coronavirus testing centres;
  - Donated PPE to healthcare workers from CLH and free parking from Empark;
  - Trained nurses in COVID-19 testing with Penn Foster and are using DovelTechnologies analytics to review antiviral clinical trials.

## Community

- \$A20 million allocation to Macquarie Group Foundation to help combat COVID-19.
- Foundation continues to match staff giving and support existing partners.
- BFS engaging workers furloughed by other employers to meet short-term call centre demand.
- CGM sourcing computer equipment for US-based educators.
- Macquarie portfolio companies:
  - Achieve3000 offering 2 million low-income students in US with free access to its education platform.
  - INEA providing free internet to teachers in Poland.



**\$A20 million**

COVID-19 donation

**~100 million**

Daily users of essential services

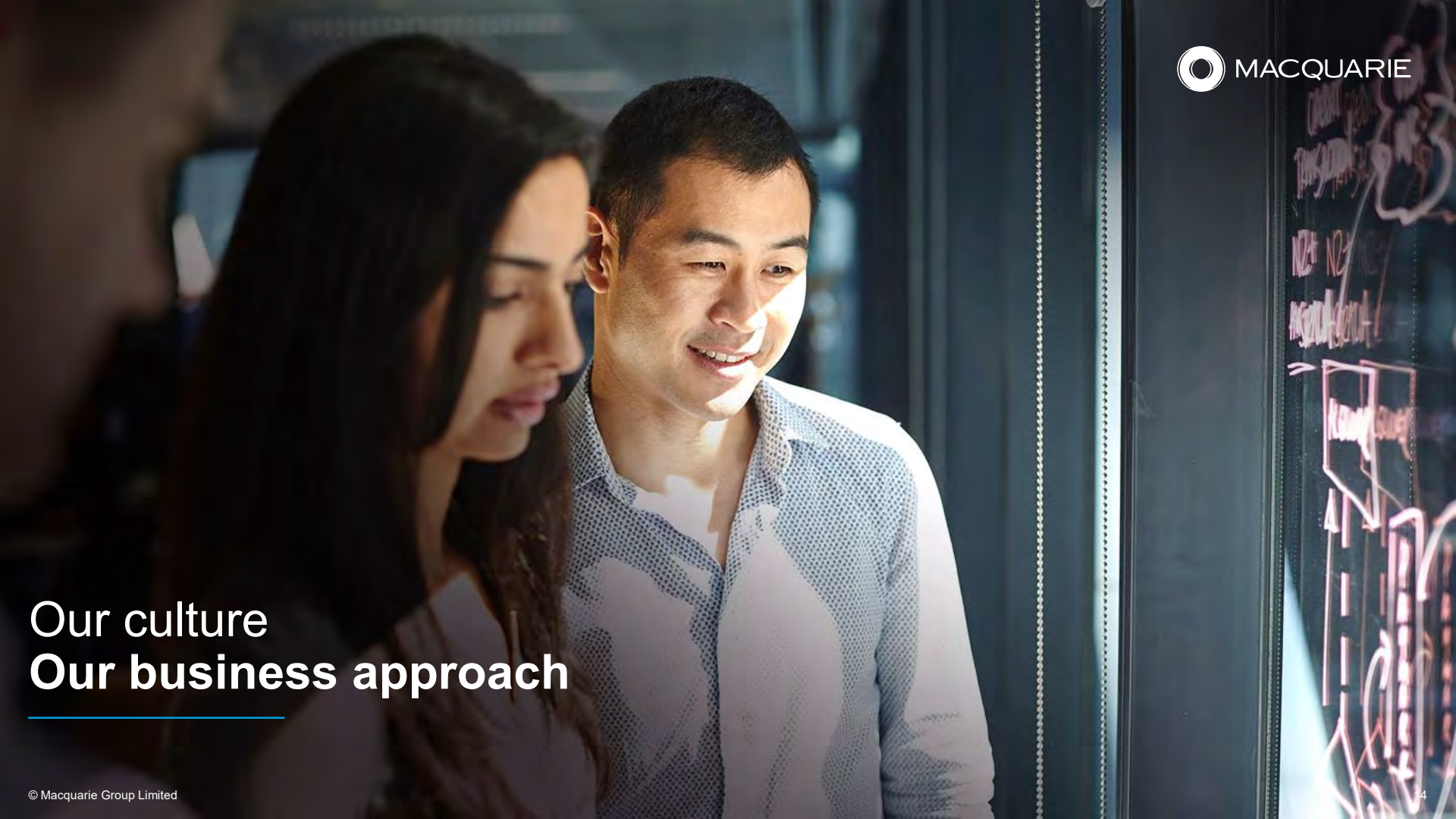
**~12%**

Clients accessing assistance<sup>2</sup>

**>98%**

Staff working remotely





Our culture  
**Our business approach**

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Our purpose explains **why** we do business

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## Empowering people to innovate and invest for a **better future**

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Enabled by three long-held principles  
that define **how** we do business

**Opportunity | Accountability | Integrity**



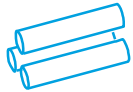
# We thrive on new ideas



“

We have a bottom-up culture. We empower our people to make decisions quickly and react to what they see before opportunity passes.”

**Shemara Wikramanayake**  
Chief Executive Officer



**1970s**

Financial market innovations  
FX, swaps, bullion



**1980s**

Cash management  
account



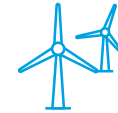
**1990s**

Infrastructure  
investment



**2000s**

Energy trading



**2010s**

Renewables

# And equip our businesses to succeed



**Stable  
financial position**

**29 years**

MBL S&P

**'A'**

Credit rating  
(A+ since 11 December 2019)



**Capital to fund  
growth opportunities**

**\$A7.1 billion**

Group capital surplus<sup>1</sup>



**Facilitate  
Group-wide collaboration**



**Green  
Investment  
Group**



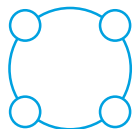
**Implement  
Group-wide standards**

**Opportunity / Accountability / Integrity**

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 ~3bps. The individual CCyB varies by jurisdiction and the Bank Group's CCyB is calculated as a weighted average based on exposures in different jurisdictions.



# Within a robust risk management framework



**Ownership of risk**  
at the business level



**Understanding**  
worst case outcomes



**Independent sign-off**  
by Risk Management Group

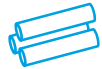
## Principles stable for **30+ years**

A key factor in our **51 years** of unbroken profitability





# We build expertise and expand into adjacencies



## Commodities

Precious metals

Base metals

Agricultural commodities

Physical commodities

Oil, gas and power

**Global commodities platform:**  
200+ products across  
25+ market segments



## Investment management

Fixed income

Equities funds

Delaware  
Investments  
acquisition

**\$A382.6 billion in  
assets under  
management**

Real assets

**\$A149.3 billion equity  
under management**



## Infrastructure

Utilities

Communications

Energy

Renewables

Transport

**An infrastructure  
investment pioneer**



## Asset Finance

IT

Rotorcraft

Energy meters

Medical equipment

Resources

Renewables

Smart phones

**Offering specialised  
asset finance solutions**



## Renewables

Onshore wind

Solar

Offshore wind

Storage

Energy from waste

Green Investment Group

**Green energy  
investment  
and development  
expertise**

**A diversified business** that is continually evolving

# And adapt our portfolio mix for changing market conditions

## Business mix<sup>1</sup>

Annuity-style activities



FY20

~63%

FY07

25%

## International income<sup>2</sup>



FY20

67%

FY07

53%

## International staff<sup>3</sup>



FY20

58%

FY07

34%

1. Annuity-style income includes income derived from Macquarie Asset Management, Banking and Financial Services and parts of Commodities and Global Markets. % split is based on FY20 net profit contribution from Operating Groups.  
2. International income includes income generated outside of Australia and New Zealand based on net operating income excluding earnings on capital and other corporate items. 3. Headcount includes certain staff employed in operationally segregated subsidiaries.  
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# Always mindful of our impact



**~100 million people**  
use Macquarie-managed  
essential services daily



**12,800 MW**  
of renewable energy  
assets in operation or  
under management



**Carbon neutral**  
since 2010



**\$A410 million**  
community commitment  
since 1985



**140,000+ people**  
employed by  
Macquarie-managed assets



**250+ green  
energy projects**  
under development  
or construction



**Emissions  
reductions**  
45% per capita from  
FY2010 baseline



**21,000  
suppliers**  
globally





# Environmental, Social and Governance



**Environmental and social risk management**



**Environmental and social financing**



**Climate change**



**Sustainability in direct operations**



**Customer and client experience**



**People and workplace**



**Business conduct and ethics**



**Macquarie Group Foundation**

**391**

**transactions** assessed under our Environmental and Social Risk (ESR) Policy in FY2020

**\$A9.0 billion**

invested or arranged in renewable energy and energy efficiency projects in FY2020

**12,800 MW**

of renewable energy assets in operation or under management<sup>1</sup>

**\$A20.4 billion**

renewable energy assets under management

**13.6%**

of total funded loan equity investments exposed to renewable energy<sup>2</sup>

**2.2%**

of total funded equity investments exposed to conventional energy<sup>2</sup>

**100%**

renewable electricity by 2025

FY2020 emissions per capita reduced by

**45%**

from FY2010 baseline (18% reduction from FY2019)

**Partnerships Gold Award 2019** for Financial Advisor of the Year

**Mozo Experts Choice Awards 2020** for Excellent banking app, Internet banking and Exceptional everyday account

**Canstar Outstanding Value Transaction Account** (2018 and 2019)

**3,000**

classroom events and

**350,000**

online courses and knowledge tests delivered to our staff in FY2020

Women represent

**41%**

of Macquarie's workforce and

**36%**

of Board Directors at 31 March 2020

Tailored training, workshops and leadership-led sessions provided to over

**8,700 staff<sup>3</sup>**

**\$A51 million**

donated by Macquarie staff and the Foundation in FY2020 (\$A410 million since inception in 1985)<sup>4</sup>

**1,600**

non-profit organisations supported in FY2020

**46,000**

Hours volunteered in FY2020

More detailed information is also available at [macquarie.com/ESG](https://www.macquarie.com/ESG)

1. MW of renewable energy assets in operation or under management reflect 100% generating capacity of each asset, not the proportion owned/managed by Macquarie. 2. Equity investments are reported on a funded balance sheet basis and therefore exclude equity hedge positions and non controlling interests. Macquarie's carrying value of its interest in East Anglia ONE Limited is \$A2.8 billion, which has been partially funded with asset-specific borrowings of \$A2.3 billion at 31 March 2020. Total funded equity investments amount to \$A7.4 billion as at 31 March 2020 (\$A5.9 billion at 31 March 2019). 3. Content includes conduct and conduct risk, psychological safety (aimed at staff and supervisors) and ethical decision-making. Macquarie also requires staff to undertake mandatory online Code of Conduct training. 4. Contribution comprises Macquarie Group Foundation matching support for staff donations and fundraising; Foundation donations to commemorate staff attaining 10-year and 25-year anniversaries at Macquarie; Foundation grants to non-profit organisations to recognise 12 months of board service by a Macquarie employee; and Macquarie and Foundation grants to community organisations (including Year 1 donations for the 50th Anniversary Award).

# A longstanding commitment to workforce diversity and inclusion

Our diversity is our strength and helps us deliver innovative and sustainable solutions for our clients, communities, shareholders and our people

68

nationalities, speaking  
**70+ languages**

50:50

gender balance in  
graduates and interns  
hired in FY20



Year on year **increase in female representation** across total workforce

Over 1/4

One-quarter of the Executive Committee and 36.4% of Macquarie's Board of Directors are female



Employee network groups include **Gender, Pride, Culture & Heritage, First Australians, Families & Carers, Veterans, and Wellness**



In the UK, ranked **No. 33 on top 100 employer** in the Stonewall Workplace Equality Index



**Gold Employer status** in the 2019 Australian Workplace Equality Index for LGBTI inclusion



Received 100/100 score in the 2020 **Corporate Equality Index** rating from the US based Human Rights Campaign

“

At Macquarie we seek to create a workplace where every person feels valued for their uniqueness and where different views and ideas are embraced.”

**Shemara Wikramanayake**  
Chief Executive Officer



Our culture  
Our community engagement



# Macquarie Group Foundation



More than **\$A410 million** committed to community organisations since 1985



## Grant-making focus

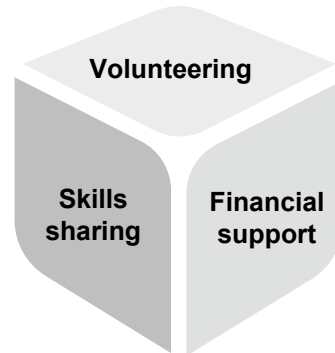


Supporting social and economic opportunities for young people



Capacity building in the community sector

## Integrated approach



## Staff-led philanthropy



Our **grassroots approach** to philanthropy enables staff to support the community organisations they feel passionately about.”

**Lisa George**  
Head, Macquarie Group Foundation

# Supporting COVID-19 relief efforts

\$A20 million allocated to the Foundation to support non-profits working to combat COVID-19 and provide relief to affected communities

To date, the Foundation has allocated \$A7.3 million to non-profits focused on **direct relief** efforts providing critical food, medical support, humanitarian relief kits and information to a range of vulnerable groups affected by COVID-19 around the world.

\$A2 million has also been directed to **research**:

- \$A1 million to the Burnet Institute for its large-scale study on isolation/quarantine and physical distancing, to assist in restoring economic and recreational activity
- \$A1 million to the Doherty Institute its international Australasian COVID-19 Trial (ASCOT), which aims to identify the best treatments for COVID-19 that will reduce mortality or the need for mechanical ventilation in hospitalised, but not yet critically ill patients



# Macquarie Group Collection



Established in **1987**



Supports **emerging** Australian artists



Over **850 works** in 40 offices



Themed around the **Australian landscape**

James Tylor, *Un-resettling (A frame hut)*, 2013, hand coloured digital print edition of 5, 50 x 50cm © the artist.  
© Macquarie Group Limited



“

The collection acknowledges Macquarie’s heritage and reflects our culture as an organisation that actively explores ideas, supports emerging talent and embraces diversity of thought.”

**Helen Burton**  
Director  
Macquarie Group Collection



## Last Mile Health

Saving lives in the world's most remote communities

To find out more, visit  
[macquarie.com/50award](https://macquarie.com/50award)



### The social need

**The World Health Organisation** estimates that **1 billion people** in remote communities live **without access to healthcare**

### The solution

**Last Mile Health** is **expanding access to primary healthcare** in sub-Saharan Africa by partnering with governments to recruit, train, equip, manage and pay national networks of community and frontline health workers

### The award funding

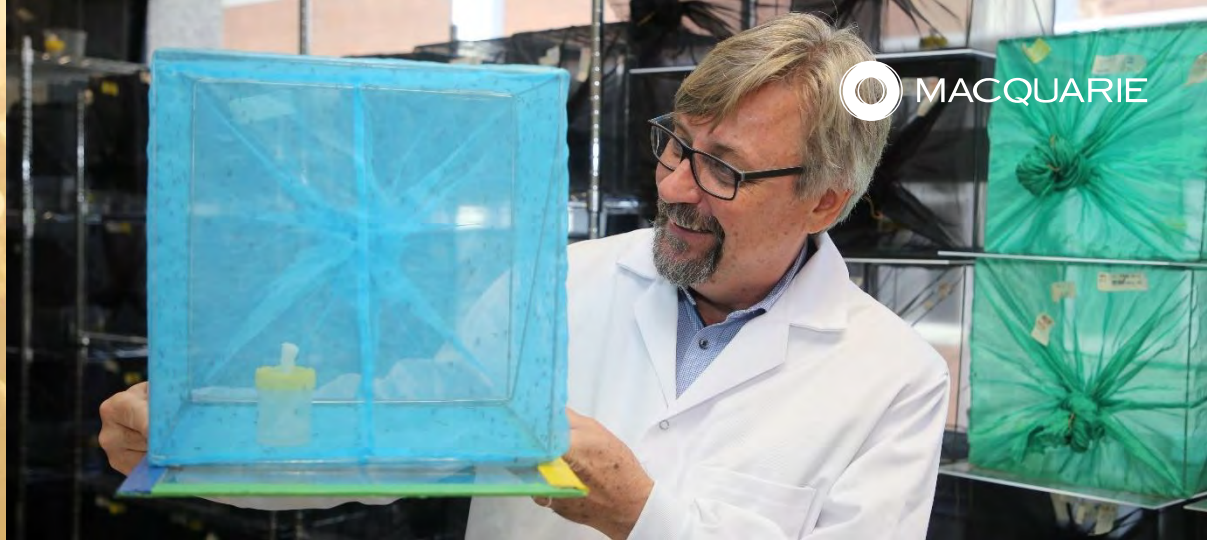
The award funding will help Last Mile Health **upskill 27,000 community and frontline health workers**, strengthen existing operations in Liberia and expand to Malawi and Ethiopia, providing life-saving community-based **healthcare for up to 100 million+ people and directly reaching 9 million people**



## Monash University's World Mosquito Program

Protecting vulnerable communities  
from mosquito-borne diseases

To find out more, visit  
[macquarie.com/50award](https://macquarie.com/50award)



### The social need

**40% of the world's population live in areas vulnerable to devastating mosquito-borne diseases,** including dengue fever, Zika virus, chikungunya and yellow fever. Around three billion people are at risk of contracting dengue fever alone each year

### The solution

Monash University's World Mosquito Program has developed an innovative **natural and self-sustaining intervention** where a naturally-occurring bacteria called *Wolbachia* is introduced into the *Aedes aegypti* mosquito, the species most responsible for transmission of these diseases between people

### The award funding

The award funding will expand the **World Mosquito Program** to more than 20 countries across Asia, the Americas and Oceania, accelerating it to reach its goal of protecting **100 million people by 2023**

## Murdoch Children's Research Institute World Scabies Elimination Program

Taking action to eliminate  
scabies across the world

To find out more, visit  
[macquarie.com/50award](https://macquarie.com/50award)



### The social need

**200 million+ people worldwide are affected by scabies**, a debilitating skin condition that can lead to severe skin infections and other fatal illnesses such as rheumatic heart disease

### The solution

The Institute and its partners are using a medication called **ivermectin** to address the disease. Providing a single round of the drug in a community **can reduce the prevalence of scabies by 90% within 12 months**

### The award funding

The award funding will be used to lead projects in Fiji and the Solomon Islands to **demonstrate that scabies can be eliminated**. 1.5 million people will be treated for scabies

## Social Finance

Mobilising capital to  
drive social progress

To find out more, visit  
[macquarie.com/50award](https://macquarie.com/50award)



### The social need

The United States is facing **an entrenched workforce development crisis** relating to the future of work while income equality in the US is the highest it's been since 1928

### The winner

Social Finance uses **innovative finance strategies**, like social and career impacts bonds, to **address declining economic mobility and a growing skills gap** in the US economy

### The award funding

The award funding will help launch **20-25 economic mobility Pay for Success projects**, reaching an estimated 20,000-25,000 individuals over the life of the grant. The award will also provide **seed capital for a \$US50 million evergreen fund**, which will sustainably recycle returns and unlock additional impact investment capital, ultimately benefitting hundreds of thousands of low-income Americans



## The Ocean Cleanup

Developing advanced technologies  
to rid the world's oceans of plastic

To find out more, visit  
[macquarie.com/50award](https://macquarie.com/50award)



### The social need

1.8 trillion pieces of plastic are currently floating in the Great Pacific Garbage Patch (GPGP), and **ocean plastic pollution costs the global economy \$US19 billion every year**

### The winner

The Ocean Cleanup's goal is to **rid the world's oceans of 90 per cent of floating plastic by 2040**. The organisation is developing technological solutions to rid our world's oceans of plastic: one is a passive ocean clean up system to remove existing plastic pollution; and the second is the Interceptor™, a new technology that intercepts plastic from rivers before reaching the ocean

### The award funding

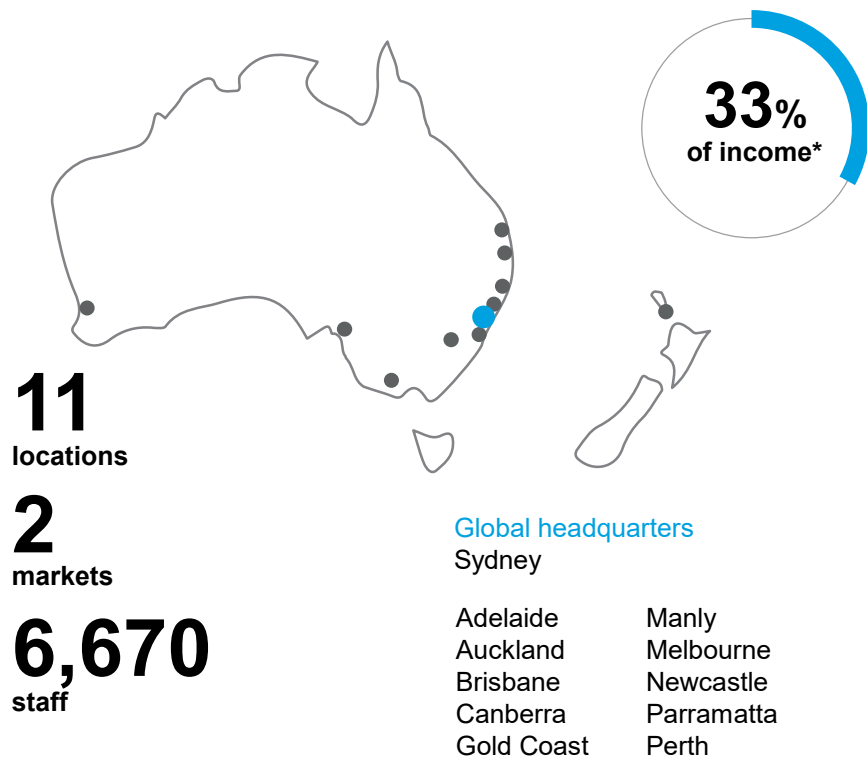
The award will **accelerate the critical development phase of The Ocean Cleanup's technology**. Once the design is proven, The Ocean Cleanup can begin its scale-up to a full fleet of systems to be deployed across the GPGP and the remaining four gyres, and tackle the top 1,000 most polluted rivers responsible for 80% of the plastic outflow





# Our global presence **Australia and New Zealand**

# Macquarie in Australia and New Zealand



\*Pie charts based on net operating income at 31 March 2020, excluding earnings on capital and other corporate items.

1. At 31 March 2020.

© Macquarie Group Limited



## ~\$A29 billion

market capitalisation<sup>1</sup> – one of Australia's largest listed companies

**Leading positions**  
in our home market

Operating since **1969**



**The strong business we built in Australia and New Zealand** over half a century provided a platform and culture to grow globally.”

**Shemara Wikramanayake**  
Chief Executive Officer

# Our business activities in Australia and New Zealand



**Full-service offering**  
across all business groups



One of Australia's  
largest diversified farmers  
**4.8 million hectares**



**2020 Investment  
Manager of the Year<sup>1</sup>**



Leading Australian  
**equities research team**



**Leading digital banking**  
offering with features  
that are firsts in  
Australian banking



Leading Australian  
vehicle financier  
**475,000+ vehicles**



**No.1** in ANZ for  
completed and announced M&A<sup>2</sup>

**No.1**  
Financial Advisor in ANZ<sup>3</sup>

**No.1**  
Financial Advisor in ANZ for PPP<sup>3</sup>

**Retail banking and financial  
services** portfolio includes<sup>4</sup>:

**\$A79.1 billion**  
funds on platform<sup>5</sup>

**\$A52.1 billion**  
Australian mortgage portfolio

1. 2020 Financial Standard Investment Leadership Awards. 2. Refinitiv (FY20, No.1 for completed deals in ANZ by deal count). 3. Infraction (CY19 by value). 4. At 31 March 2020. 5. Funds on platform includes Macquarie Wrap and Vision. © Macquarie Group Limited



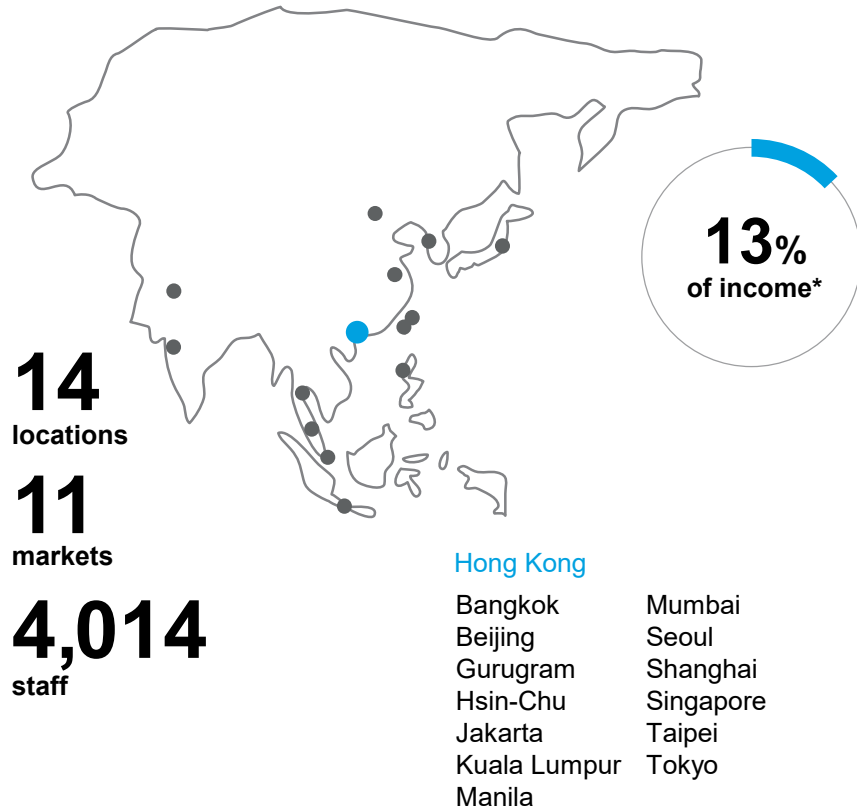




# Our global presence Asia



# Macquarie in Asia



\*Pie charts based on net operating income at 31 March 2020, excluding earnings on capital and other corporate items.  
© Macquarie Group Limited



## Local expertise and insight

linking Asia with the rest of the world

## Established presence

in world's largest growth region

Regional presence  
**since 1994**



Asia is becoming more important to the world than ever before and we're able to **facilitate that connectivity.**"

**Ben Way**

Chief Executive Officer, Asia

# Our business activities in Asia



Singapore Warrants awarded **2019 Top Traded Leveraged Products Issuer** for the third year in a row<sup>1</sup>



**50%** of staff in shared services, providing support to Macquarie's global businesses



Licensed in **14 exchanges** with execution capability in 16 across Asia<sup>2</sup>



A global integrated offering across **equities, fixed income, commodities** and **foreign exchange**



**Driving cross-border flows**



**850+** stocks under coverage<sup>3</sup>



Asia Electronic Execution team tops **2019 Greenwich rankings across seven categories**<sup>4</sup>

1. Awarded by Singapore Stock Exchange 2. Macquarie is licensed to more than one exchange in 5 markets. 3. At 20 April 2020, covering 11 markets in Asia. 873 stocks to be precise. 4. Rankings are for Asia (ex-Japan and Australia) equities: (1) No. 1 Overall Product and Service Quality – Long Only, (2) No. 1 Best Implementation Shortfall Algo – All clients (up from #6 in 2018), (3) No. 1 Best Implementation Shortfall Algo – Large institutions (up from #10 in 2018), (4) No. 1 Best Implementation Shortfall Algo – All Long Only (up from #4 in 2018), (5) No. 1 Most Reliable and Easiest to Use – Long Only, (6) No. 2 Best VWAP Algorithm – Long Only (up from #6 in 2018), (7) No. 2 Best Opportunistic Algorithm – Long Only. 5. At 31 March 2020. 6. The Asset Triple A Infrastructure Awards 2019.  
© Macquarie Group Limited



**\$A66.9 billion**  
assets under management<sup>5</sup>



Leading regional **infrastructure** and **energy** business



**Renewable Energy Deal of the Year**

– Formosa 1 Offshore Wind Farm<sup>6</sup>



# Macquarie in China



**20+**

year of experience  
in the China market



**4,000+**

people employed  
at invested assets<sup>1</sup>



**690+**

people in Macquarie's  
Greater China  
offices with **90+**  
in mainland China



Invested  
**4GW+**

of renewable energy  
capacity<sup>2</sup> across  
solar and wind



**650,000 sqm**  
mixed use  
cold and dry  
logistics platform



Comprehensive  
local and offshore  
**commodities**  
platform



Research, sales and  
trading capabilities  
over **China equities**



Advised on M&A  
**cross-border**  
**deals<sup>3</sup>** totalling over  
**\$A22.0 billion**



Supporting our community through  
the **Macquarie Group Foundation**



**Fundraising  
and volunteering**

Supporting education,  
environment and welfare  
projects for rural youth  
and local communities

1. Including staff employed at MIRA-managed fund assets and assets MacCap has invested in. Includes permanent and temporary staff as well as construction workers. 2. Operating and under construction. 3. Over the past 3 financial years from 1 April 2017 to 31 March 2020. All data at 31 March 2020. © Macquarie Group Limited



# Macquarie in South Korea



**20**

**year commitment**  
to South Korea



**210+**

**people employed in**  
Macquarie's South Korean office



**Comprehensive platform**

Equities markets, commodities,  
asset finance, advisory and fund sales



**Domestic and global funds**

across equity and fixed income



**Principal investment**

focused on renewable energy sectors  
– fuel cell, offshore wind, data centres



**13,000**

**people employed** at invested assets



**Largest foreign asset manager** in South Korea with

**34 assets**

across infrastructure, renewables, energy and IT sectors<sup>1</sup>

Supporting our community through  
the **Macquarie Group Foundation**



**Fundraising and volunteering**

Supporting vulnerable  
children and communities



**10+ years**  
of annual Community  
Volunteering Days



# Macquarie in Taiwan



**15+**

years of experience  
in the Taiwan market



**~2GW**

of projects to provide power  
to ~2 million homes



**90+**

people employed  
across three  
office locations



**70+**

stocks under coverage<sup>1</sup>  
with **expertise across**  
the **technology sector**



**Semiconductor**

Leading equipment  
trading and  
advisory platform



**Warrants**

Only foreign warrants  
issuer in Taiwan



**\$A6.1 billion**

managed for investors<sup>2</sup> across public  
and private asset classes globally



Supporting our community through  
the **Macquarie Group Foundation**



**Fundraising  
and volunteering**

Supporting vulnerable  
children and local communities

# Macquarie in Japan



**20+**

**year commitment**  
to Japan



**140+**

**people employed**  
in Macquarie's  
Japan office



**2,000+**

**people employed**  
at invested assets



**Solar and wind**  
**development**  
**platforms** through

partnerships with  
local companies



**Capital**  
**solutions**

for small/mid-caps,  
blocks/warrants,  
arbitrage trading  
strategies and  
synthetics



**Investment**  
**solutions**

across alternatives  
and traditional  
asset classes for  
Japanese investors<sup>1</sup>



**Hedging and finance solutions**

**Top player** in electricity  
futures and derivatives

**Top player** in  
petrochemical  
and JCC<sup>2</sup> hedge

FX and  
integrated products

1. Provided by newly established Client Solutions Group (CSG) under MAM. 2. Japan Crude Cocktail (JCC). All other data at 31 March 2020.  
© Macquarie Group Limited

Supporting our community through  
the **Macquarie Group Foundation**



**Fundraising and volunteering**

Providing funds, mentorship and  
educational support for vulnerable  
middle school students

# Macquarie in India



**15**

**year commitment**  
to India



**1,500+**

**people in Gurugram**  
support Macquarie's  
global operations  
across finance, risk  
and technology



**120+**

stocks under  
research with  
a combined  
**market cap of**  
**~\$US1 trillion**



**Infrastructure  
advisor**

National Highways  
Authority of India  
(NHAI)

Ministry of Finance  
(MOF)<sup>1</sup>



**Top 10  
ranked**

domestic equities  
broker and a **leading  
research house**



**Largest**

international investor  
in **Indian toll roads**

**25,000+**

hours of road safety  
training each year



Supporting our community through  
the **Macquarie Group Foundation**



**8,000+**

beneficiaries of youth  
job training and career  
development programmes



**₹ 270 million**

contributed via CSR since  
2013, funding access to  
education, livelihoods,  
welfare and other support  
for vulnerable communities



# Macquarie in Singapore



**20+**

**year commitment**  
to Singapore



**350+**

**people in** Macquarie's  
Singapore office



**\$A1.7 billion**  
**total equity**  
**raised** for LOGOS  
Property Group<sup>1</sup>



**Top 5**

Foreign broker,  
awarded  
**Top SGX-ST**  
**Member – Global**<sup>2</sup>



**Regional hub**

for Macquarie's  
ASEAN operations  
and regional  
commodities business



Project advisory  
**centre of**  
**excellence**



**Leading** Asia Pacific infrastructure fund managing  
**\$A7.5 billion** across energy, infrastructure,  
utilities and technology assets<sup>3</sup>



**Market leader**  
in listed warrants

Supporting our community through  
the **Macquarie Group Foundation**



**Fundraising**  
**and volunteering**

Supporting at-risk vulnerable  
children and communities



**4+ years**  
of annual Community  
Volunteering Days

1. An Asia Pacific logistics real estate developer and fund manager. Equity raised for LOGOS's Singapore and Southeast Asian strategy since 2016.

2. 2019 Top SGX –ST Members – Global for the eighth year in a row awarded by Singapore Exchange. 3. For MAIF1 and MAIF2 funds.

All data at 31 March 2020.

© Macquarie Group Limited



# Macquarie in the Philippines



**15+**  
year commitment  
to the Philippines



**940+**  
people in Manila  
support Macquarie's  
global operations  
across operations,  
finance, technology  
and risk



**Top 5**  
Foreign broker  
Cash equities and  
research coverage<sup>1</sup>



Leading  
infrastructure  
asset manager  
**\$US1.6 billion**  
**AUM** across  
transportation, energy  
storage, geothermal,  
wind and solar



**Infrastructure  
M&A and PPP**  
advisory business  
with a growing  
focus on renewable  
energy principal  
investments



Enough clean  
energy to power  
**~2 million**  
**households**  
Energy Development  
Corporation



**Fundraising and  
volunteering**

Supporting access to  
education, social welfare, and  
support for at-risk vulnerable  
children and communities



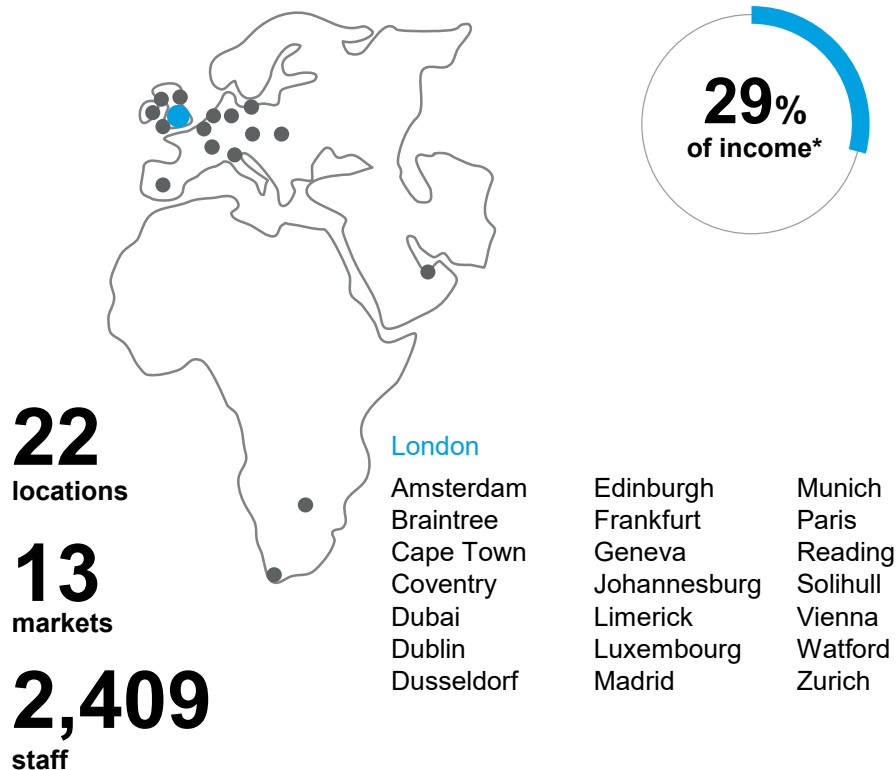
**15+** organisations  
actively supported by  
way of staff engagement,  
across the Philippines



Our global presence  
**Europe, the Middle East and Africa**

---

# Macquarie in Europe, the Middle East and Africa



\*Pie charts based on net operating income at 31 March 2020, excluding earnings on capital and other corporate items.  
© Macquarie Group Limited



“

**Our business in EMEA** has grown consistently, trebling in size over the past decade, driven by our leadership in infrastructure, energy and commodities. Our priority is to continue to support our existing clients in areas where we have an established presence, while expanding our footprint, capabilities and client base across other parts of the region.”

**Paul Plewman**  
Chief Executive Officer,  
Europe, the Middle East and Africa

Regional presence since

**1994**

**4**

**platform acquisitions**  
in two years



# Our business activities in Europe, the Middle East and Africa



**\$A132 billion**  
assets under management  
in EMEA<sup>1</sup>



**33**  
Infrastructure business  
assets under management<sup>2</sup>



**Sponsor/Developer**  
of the Year<sup>3</sup>



A leading risk management provider in the **European Gas market**, actively supplying and trading across all liquid wholesale European gas hubs



**FY20 investments include<sup>4</sup>**

**Telecoms** in the UK

**Superfast broadband**  
in the UK

**Fibre broadband** in Spain

**Roads** in the Netherlands

**Road tunnels** in the UK

**Oil refinery** in Sweden

**Social housing** in the UK



**Developing and managing  
new renewable projects,**  
from wind power in  
Scandinavia to solar power  
in the southern Mediterranean



**150+**  
**Green energy**  
projects since 2010



**Global  
Renewables**  
Deal of the Year<sup>5</sup>

1. At 31 March 2020. 2. Represents infrastructure portfolio businesses which MIRA manages on behalf of investors with various direct percentage stakes held in each. In some instances, portfolio businesses may operate multiple infrastructure assets. 3. EMEA and APAC Partnership Awards 2019. 4. Includes investments made through managed funds. 5. CY19 Infrastructure Investor. All other data at 31 March 2020.  
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# Macquarie in the United Kingdom



**30 year**  
**commitment**  
**to the UK**

An established  
presence since 1989



**10 million+**

meters provided  
for homes and  
businesses<sup>1</sup>



**12,000+**

people employed  
at invested assets<sup>2</sup>



**No. 1**

Financial Advisor in  
UK for PPP Finance<sup>3</sup>

Financial Advisor  
in the UK for  
Infrastructure<sup>4</sup>



**1,700+**

people employed  
**across 3 offices**  
Regional  
headquarters  
for EMEA in London



**Renewable energy**  
global principal  
investment business  
**The Green Investment  
Group – is led  
from the UK**



**Winner of 2019**  
**Transition Manager**  
of the Year<sup>5</sup>



**World's largest infrastructure manager<sup>6</sup>**  
Our global infrastructure and real assets  
division is headquartered in London

Supporting our community through  
the **Macquarie Group Foundation**



**7 grant partners**

funded supporting social  
mobility opportunities  
for young people



**12 years**

of the CoRe programme  
which has supported  
80 local charities with  
**12,000+ volunteers hours<sup>7</sup>**

1. At 31 March 2020, largest independent meter funder in UK, not part of a distribution network or vertically integrated utility. 2. At 31 March 2020, Including staff employed at MIRA-managed fund assets and assets MacCap has invested in. Includes permanent and temporary staff as well as construction workers. 3. Inframation (CY19 by Deal Value). 4. Inframation (CY19 by Deal Count). 5. 2019 Local Authority Pension Fund (LAPF) Investments Awards <https://www.lapfinvestmentsawards.com/archive/2019-lapf-investments-awards>. 6. Based on AUM. IPE Real Assets Top 75 Infrastructure Investment Managers 2019, published in July/August 2019. 7. The Community Resourcing Programme (CoRe) aims to capacity build the local non-profit sector by connecting London employees with local non-profits. All other data at 31 March 2020.



# Our global presence Americas



# Macquarie in the Americas



5 markets

2,756 staff



## USA – New York

Austin	Nashville
Boise	New York
Boston	Orlando
Chicago	Philadelphia
Dallas	San Diego
Houston	San Francisco
Jacksonville	San Jose
Los Angeles	Seattle
Minneapolis	Walnut Creek

## North

Calgary  
Montreal  
Toronto  
Vancouver

## South

Mexico City  
Santiago  
São Paulo



“

Macquarie has grown significantly in the US over the past decade. Our diversified businesses have allowed us to deliver **steady performance for clients** in the world's largest capital market, even in challenging conditions and a competitive landscape.”

**Shawn Lytle**  
Head of Americas  
Macquarie Group

Regional presence since **1991**

Leading participant in changing US **energy and infrastructure** landscape

Providing asset management and advisory services in world's **largest capital market**

# Our business activities in the Americas



## No.2

physical gas marketer in North America – **the highest ranked non-producer**<sup>1</sup>



## ~12 billion

cubic feet of **natural gas volume** traded across North America daily<sup>1</sup>



**Equal No. 1**  
**Financial Advisors**  
in the USA for  
Infrastructure<sup>2</sup>



## 65+

bookrun DCM deals  
completed in FY20 valued  
at over **\$US43 billion**<sup>3</sup>



**US sector specialist**  
**Research, Execution,**  
**and Asia-Pacific Sales**  
providing access  
to global markets



## North America Natural Gas

Western US and Canada  
Dealer of the Year<sup>4</sup>

1. Platts Q4 – March 2020. 2. Inframation (CY19 by Deal Count). 3. Dealogic, at 31 March 2020. 4. No.1 in the 2020 Energy Risk Commodity Rankings. 5. At 31 March 2020. Simfund Fund Family AUM (excludes passive/index funds).

6. At 31 March 2020. 7. Excludes funds managed as part of Joint Ventures.

© Macquarie Group Limited



## Top 50

US active mutual  
fund manager<sup>5</sup>



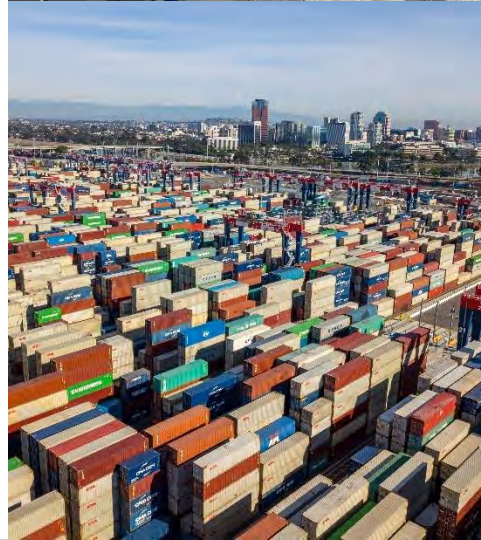
## \$A291.6 billion

assets under  
management<sup>6</sup>



## 10

infrastructure and  
real assets funds<sup>7</sup>



# Macquarie in the United States



**25+**  
years in the  
US market



**2,500+**  
people in  
Macquarie's  
US offices



**26,200+**  
people employed  
at invested assets<sup>1</sup>



**No.1**  
PPP Financial  
Advisers in USA<sup>2</sup>



**No.2**  
physical gas  
marketer in  
North America<sup>3</sup>



**Top 50**  
US active mutual  
fund manager<sup>4</sup>



**18**  
locations connected  
to our global platform



## Awards rankings

- Winner of 2019 PDI Fund Financier of the Year<sup>5</sup>
- Equal No. 1 Financial Advisors in the USA for Infrastructure<sup>6</sup>

Supporting our community  
through the **Macquarie  
Group Foundation**



Helping  
**1,000+**  
low-income US  
college students  
secure paid  
internships in their  
field of interest<sup>7</sup>

1. At 31 March 2020. Includes staff employed at MIRA-managed fund assets and assets MacCap has invested in. 2. Infomation (CY19 by Deal Value). 3. Platts Q4 – March 2020.  
4. At 31 March 2020. Simfund Fund Family AUM (excludes passive/index funds). 5. Private Debt Investor Awards 2019, Fund Financier of the Year – Americas. 6. Infomation (CY19 by Deal  
Count). 7. Together with the Macquarie Group Foundation's eight college and career success grant partners. All other data at 31 March 2019.  
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# Our expertise in focus **Infrastructure**

---

# Our infrastructure expertise at a glance



**Largest**  
infrastructure  
manager globally<sup>1</sup>



Manager of  
**128**  
infrastructure assets<sup>2</sup>



**20+ years**  
sector experience



**Strong**  
financial, investor  
and community  
outcomes



**80+**  
stocks under  
coverage<sup>3</sup>



**No.1**  
Global Financial  
Advisor for PFI/PPP  
for Project Finance  
Financial Advisor<sup>4</sup>



**Global Finance Best Investment Bank Award 2019**  
Infrastructure sector<sup>5</sup>

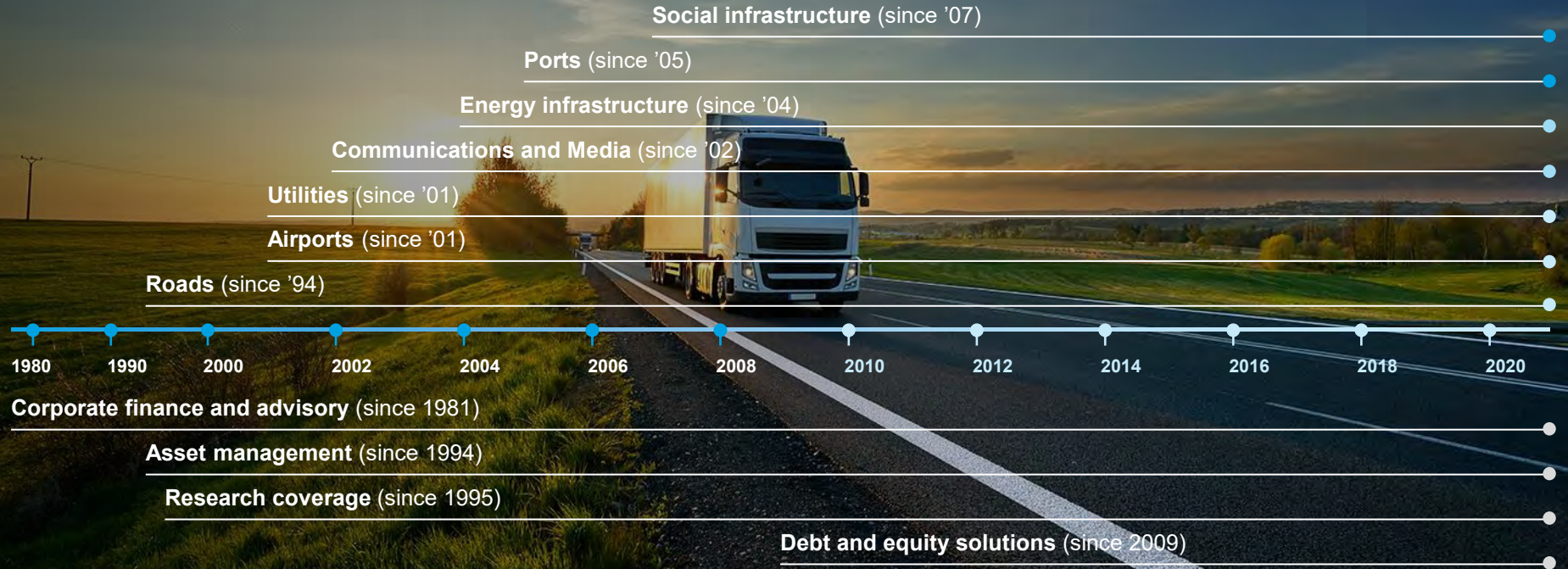
**A pioneer** in the global infrastructure sector

1. Based on AUM. IPE Real Assets Top 75 Infrastructure Investment Managers 2019, published in July/August 2019. 2. At 31 March 2020. 3. At 20 April 2020. 4. Dealogic by volume CY19. 5. Global Finance (2019).  
© Macquarie Group Limited





# How we built our infrastructure expertise





# Global opportunities in infrastructure



## Urbanisation

# 68%

world population to live in urban areas **by 2050**<sup>1</sup>



Global infrastructure investment expected to reach **\$US79 trillion** by 2040<sup>2</sup>



Growing demand for improved **transport and digital infrastructure** globally



# 41

**megacities** with populations exceeding **20 million** operating by 2030<sup>3</sup>



**New infrastructure** driving growth in emerging economies



Increased **investor appetite** for infrastructure

Macquarie **continues to evolve** its leading sector offering

1. United Nations, 2018. 2. World Economic Forum <https://www.weforum.org/agenda/2019/01/infrastructure-around-the-world-failing-heres-how-to-make-it-more-resilient>. 3. EY – The Power of Three [https://www.ey.com/Publication/vwLUAssets/EY-the-power-of-three-for-smarter-more-resilient-cities/\\$FILE/EY-the-power-of-three-for-smarter-more-resilient-cities.pdf](https://www.ey.com/Publication/vwLUAssets/EY-the-power-of-three-for-smarter-more-resilient-cities/$FILE/EY-the-power-of-three-for-smarter-more-resilient-cities.pdf)  
© Macquarie Group Limited

“

There is a growing global need for quality infrastructure as urban populations grow and the world transitions to a low carbon economy.”

**Shemara Wikramanayake**  
Chief Executive Officer

# Case studies Infrastructure

---



# Developing key French transport infrastructure



## Opportunity

APRR is the fourth largest motorway group in Europe, operating more than 2,300 km of toll roads across France that are relied on by approximately 23 million customers each year<sup>1,2</sup>

## Actions

Recognising the important role APRR's motorways play in connecting French communities and supply chains, MIRA and its co-shareholders supported the business as it developed its network, enhanced safety outcomes, reduced its environmental impact and improved the customer experience

## Outcomes<sup>3</sup>

**>€5 billion**

invested to expand and upgrade APRR's network

**~50%**

reduction in network fatalities and enhanced employee WHS record<sup>2</sup>

**Reduced CO2 emissions**

with new electric vehicle charging stations, car-pool car parks and an electrified service vehicle fleet

**Expanded wildlife**

**crossings** and tree planting to support local ecosystems

Enabled the development of

**~200 km of motorway**

**Improved efficiency**

by widening roads and introducing automatic and non-stop tolling technology



# Upgrading Korea's critical transport infrastructure network

## Opportunity

The Incheon Bridge Project began during the Asian Financial Crisis in the late 1990s when the Korean government was developing Incheon City and its associated traffic network, intended to lay the foundation for reinvigorating Korea's economy and accelerating its recovery from the financial crisis

## Actions

Macquarie Korea Infrastructure Fund contributed to the Project in 2006 in the capacity of a senior debt, subordinated debt and equity investor. The Project involved a 4-year construction period with a 30-year concession right to successfully operate the facility. In 2017, Macquarie acquired an additional 23 per cent equity stake to become the largest controlling shareholder of the Project

## Outcomes

Incheon Grand Bridge has successfully closed a **vital infrastructure gap** in Korea

Driving Korea's economic growth and profile as one of the major **economic and logistics hubs of North East Asia**

Expansion of **city development**

Providing

**~60k**

**daily users** with direct travel access to Yeongjong Island and the Incheon International Airport

Clear shareholder roadmap for

- operational **stability**
- growth **trajectory**
- financial **profitability**



# Supporting North America's largest and most energy-efficient seawater desalination plant

## Opportunity

The Carlsbad Desalination Plant (Plant) is a seawater reverse-osmosis desalination plant located in Carlsbad, California, producing 54 million gallons of water per day. The plant is a true marquee asset in the infrastructure space, being the largest, most technologically advanced and energy-efficient seawater desalination plant in North America, and one of a very limited number of privately held water assets in the US

## Actions

Macquarie Capital acted as exclusive financial adviser in the sale of 100% equity interests in the plant. Macquarie Capital was able to distill a complex project structure, technical details and documentation in a marketable due diligence, helping the vendors and bidders navigate critical permitting and approval processes. In addition, Macquarie Capital's Private Capital Markets team identified, attracted and managed strong interest from leading global infrastructure investors

## Outcomes

The plant was sold to a consortium of Korean investors led by Aberdeen Standard Investments, **increasing its access to capital**

The plant provides **9% of San Diego County's water supply**, which is enough to serve up to **400,000 people**

## Planned enhancements

to the plant, pipeline and existing San Diego Water County Authority (SDCWA) facilities

The plant continues to operate under a **30-year water purchase agreement** with SDCWA



# Advising on the structuring and sale of a UK meter portfolio



## Opportunity

Smart Metering Systems plc (SMS) sought to raise capital to fund their roll-out of smart meter assets under the UK Smart Meter Implementation Programme

## Actions

Macquarie Capital acted as sole financial adviser to SMS on the successful structuring and carve-out of a portfolio of 183,000 I&C meter assets via a sale to Equitix Investment Management Limited for a total gross cash consideration of £291 million

## Outcomes

Established a new source of additional funding for SMS, to enable their continued investment in the UK Smart Meter Implementation Programme

**Execution excellence** – maintained competitive tension during a turbulent UK economic and political environment to achieve a successful outcome for our client

Enabled the implementation of an **enhanced long-term sustainable dividend policy** and re-shaping of SMS' capital structure

Macquarie Capital helped develop a bespoke structure to overcome contractual obstacles for our client and their counterparties

Smart meters facilitate a **cleaner, greener and more efficient energy system** – fundamentally supporting the transition to a more sustainable energy future



# Delivering a world class court facility for the Australian Capital Territory

## Opportunity

The ACT Law Courts Project was the Australian Capital Territory's (ACT) first public-private partnership, seeking to refurbish Canberra's existing court facilities through the construction of a four story building fronting Vernon Circle, joining the existing Magistrates and Supreme Court buildings

## Actions

Macquarie Capital entered a Juris Partnership with Laing O'Rourke to design, construct, commission, maintain and finance the redevelopment of the Magistrates Court, and rebuild of the Supreme Court



## Outcomes

Meeting the Territory's needs for the next 50 years in a **functional, flexible and sustainable way**

Completed on January 2020 with **no additional cost to the ACT Government**, despite experiencing multiple delays

**350 new jobs** created throughout the construction phase of the project

Facility features an **110KW** capacity solar photo-voltaic array

# Opening-up the broadband network in Spain

## Opportunity

The introduction of an independent wholesale fibre operator in Spain will create growth opportunities for the traditional telecoms players and facilitate new partners to enter the market by having access to a secure, flexible and first quality broadband proposal

## Actions

Macquarie Capital, with co-investment from Aberdeen Standard Investments, created Spain's first independent wholesale only provider with the acquisition of a FTTH network covering ~940,000 building units from MasMovil, Spain's fourth largest telecoms company

## Outcomes

Macquarie Capital is guiding the new company's growth through the **next stage of its development** with its expertise as a global infrastructure developer and flexible balance sheet capital

The new business will operate as an **independent wholesaler** providing capacity to internet service providers looking to supply broadband to homes and businesses

Digital Infrastructure is an increasingly appealing asset class to infrastructure funds. As an immature infrastructure investment, fibre creates a great opportunity to **deploy capital** and generate a better **risk-adjusted return**

By investing in critical fibre projects, Macquarie Capital aims to improve business and people connectivity which should have a positive impact on the economy

# Privatising the first Japan airport – Sendai Airport



## Opportunity

Sendai Airport is one of Japan's largest and busiest international airports with 3.7 million passengers per annum<sup>1</sup>. In 2011, the airport was severely damaged by the Great East Japan Earthquake and tsunami after which time, the Japanese government was looking for a bidder to revitalise and operate the airport's facilities

## Actions

Combining our global network of infrastructure experience in airport privatisation and our local expertise, Macquarie Capital developed the consortium committed to revitalise Sendai Airport. From the early stages of the deal, we also advised public sector partners and investors on matters including transactional structure and rules as well as delivering tactical bid advice to maximise competitiveness in this landmark transaction

## Outcomes

**JPY2.2 billion (\$US21.1 million) contract agreement** reached with a 30-year public service concession scheme

**1st Japan airport to be privatised** – a milestone in Japan's history of public-private partnerships in infrastructure

**Complete recovery from the impacts of Great East Japan Earthquake** with modernised airport facility

**Central transportation hub** in north-eastern Japan, **connecting >3 million passengers<sup>1</sup>** annually to the Tohoku region



# Transforming rental housing in the Netherlands into an investable asset class

## Opportunity

Following regulatory and structural changes to the housing and mortgage market, buy-to-let (BTL) mortgages are in increasing demand in the Dutch private rental sector

## Actions

Macquarie helped to establish Dominvest, a specialist non-bank BTL lender in the Netherlands

## Outcomes

First fully residential BTL securitisation in mainland EU

Launched via a **€250 million bond issue**, followed by a second **€318 million** bond issue that closed in March 2020

Inaugural issuance was more than **two times oversubscribed**, with orders received from investors across European Union, the UK and the US

Both bond issues attracted strong demand from existing and new clients

By financing professional landlords in the private rented sector, Dominvest is **filling the gap left** by a shrinking social housing sector and less affordable home ownership

Total lending across **2,500+ BTL loans**, estimated to reach nearly €1billion in 2020

# Transforming the public transport network in South-East Queensland

## Opportunity

South East Queensland is growing, with an extra 1.9 million people expected by 2036<sup>1</sup>. To accommodate this rising population, the region needed a rejuvenated rail network to ease congestion and improve accessibility for those travelling to and from Brisbane's CBD

## Actions

Macquarie Capital acted as exclusive financial adviser, Over Station Development adviser and debt arranger to the Pulse consortium<sup>2</sup> for the Cross River Rail (CRR) Tunnel, Stations and Development public private partnership (PPP)

## Outcomes

The Tunnel, Stations and Development PPP is the largest of three packages as part of the broader CRR project

**10.2km of new rail** including 5.9km of twin tunnels and four new underground stations in Brisbane

Will support up to **7,700 jobs** during its 5-year construction period

Enables a turn-up-and-go transport system across South East Queensland

Once operational, CRR will build capacity to enable **18,000 more seats** into Brisbane during morning peak

Will **reduce road users** on key feeder roads into Brisbane



# Revitalising toll roads in Japan's Aichi prefecture



## Opportunity

Under the Japanese government's Japan Revitalisation Strategy, the country was actively promoting public-private partnerships to rejuvenate and introduce efficient management of its infrastructure. In 2015, the Aichi Prefectural Road Public Corporation was seeking a strong bidder for the concession to operate eight toll roads in the Aichi prefecture

## Actions

Macquarie Capital acted as an exclusive financial adviser to the consortium, utilising our strong expertise in debt raising and strong relationships with major Japanese banks which resulted in a successful bid which required the procurement of financing for the first privately operated toll road project in Japan

## Outcomes

**Aichi Road Concession, Inc.**  
established to operate eight toll roads spanning a total length of **72.5km**

**1st** toll road  
privatisation in Japan

**3rd** infrastructure  
privatisation project in Japan

**\$US1.31 billion**  
**(JPY137.7 billion)**  
for the concession rights

**28 years**  
weighted average  
concession term in  
five separate concessions



# Once-in-a-century upgrade to London's water supply



## Opportunity

A Macquarie-led consortium acquired a stake in Thames Water on behalf of investors in 2006, when the company faced criticism for underinvestment and missing leakage targets

## Actions

First new investment in Victorian pipes to improve water quality and built a desalination plan to improve security of supply for London homes and businesses

## Outcomes

**Expanded** waste treatment capacity

Generated  
**267GWh**  
of its own energy in 2016/17,  
from renewable sources

Average  
**£1 billion**  
annual investment  
over **12 years**

**9 million+**  
water customers

**15 million+**  
waste water customers

**Completed Lee Tunnel**  
– the largest capital project  
in UK's privatised water industry

**22% reduction**  
in leakage rates

# First major road crossing of the River Thames in 30 years

## Opportunity

The Silvertown Tunnel Project is expected to ease congestion and increase public transport usage in East London. The project being tendered by Transport for London is to build a new tunnel under the River Thames for access to the East of London

## Actions

Macquarie Capital acted as a lead equity sponsor and sole financial adviser to the RiverLinx Consortium which has been appointed by Transport for London to design, build, finance, operate and maintain the Silvertown Tunnel project



## Outcomes

A new **1.4km twin-bore** road tunnel under the River Thames easing congestion in East London

UK's first road tunnel to have **dedicated bus lanes** in both directions

A vital piece of infrastructure which will support **London's future population growth**

Designed to primarily **relieve congestion** on the 122-year old Blackwall Tunnel, it will be the first major road crossing of the River Thames in 30 years

Expected to increase public **transport usage by up to 30%**

Complex transaction including difficult ground conditions

# Replacing essential infrastructure connecting New York and New Jersey

## Opportunity

To replace the existing, functionally outdated Goethals Bridge, opened in 1928

## Actions

Through a public-private partnership, a Macquarie-led consortium is constructing a new, modern bridge to support economic activity in the region



## Outcomes

Increased capacity – **3 lanes** in each direction

Delivered **best value proposal** to the public authority, including risk transfer

**~\$US872 million**  
in total economic activity

**10-foot-wide** pedestrian and bicycle walkway

Improved **safety environment** – separate span for traffic traveling in each direction

**2,000+**  
direct jobs



# Providing quality drinking water to China's growing cities



## Opportunity

The eight million residents of China's Shenyang City were historically supplied tap water from lower quality underground sources

## Actions

A Macquarie-managed fund acquired a joint controlling stake in a water portfolio in Shenyang, to complete one of China's largest tap water treatment plants

## Outcomes

**Exceeds  
highest standards**  
of tap water quality

Providing clean  
drinking water to

**~500,000**  
residents in Shenyang

**301 million cubic metres**  
of high quality surface water  
provided in 2017

**Contributing to Chinese  
Government's 2020** environment  
and drinking water objectives

Provides  
**50%**  
of Shenyang's total water usage

# Financing social, affordable and shared ownership housing in West London

## Opportunity

The shortage of affordable homes in West London, coupled with high property prices, continues to drive the need for lower cost housing solutions

## Actions

Macquarie provided a long-term debt facility to the charitable Shepherds Bush Housing Association (SBHA) on behalf of investors, enabling them to boost the delivery of social, affordable and shared ownership housing

## Outcomes

Supporting SBHA's ambition to improve the **provision of affordable housing** in West London

**200**

more affordable homes per year in the next **four** years

Connecting like-minded pension schemes and insurance funds with socially conscious borrowers

Meeting the **longer-term funding requirements** of SBHA to support future investment

Provided

**£150 million**

in financing facilities to help SBHA grow its development pipeline made up of **£50 million committed** and **£100 million uncommitted** facilities



# Investing in a European transport and logistics hub



## Opportunity

A Macquarie-led consortium acquired a stake in Brussels Airport following its privatisation in 2004

## Actions

Macquarie and its co-shareholders oversaw a €1 billion capital expenditure programme over 15 years to transform the airport into a leading European transport and logistics hub

## Outcomes

**64%**  
increase in annual passenger numbers<sup>1</sup>

**60+**  
new destinations<sup>1</sup>

Contributed  
**€3.2 billion**  
in added value to the Belgian economy each year

## Major terminal upgrade

New airport business district and world-class cargo facilities

Achieved  
**carbon neutral**  
status in 2018<sup>2</sup>

Generating  
**20,000+**  
jobs in the region



# Developing an important link in the global supply chain



## Opportunity

Positioned at the crossroads of the Baltic's deep-sea trading routes, Gdańsk had the potential to become the world's gateway to the fast growing markets of Central and Eastern Europe

## Actions

A Macquarie-managed fund<sup>1</sup> led the greenfield development and operation of DCT Gdańsk, driving its evolution from an undeveloped stretch of waterfront to Poland's largest and fastest growing container terminal

## Outcomes

Oversaw a significant **capital investment** programme over 13 years

Generating **thousands** of direct and indirect jobs

Capacity to handle  
**~3 million**  
shipping containers each year<sup>2</sup>

Established a **reliable** and **cost effective** alternative to the ports of Northern Europe

Improving the efficiency of **Polish exports**

Contributing  
**€2 billion**  
in additional customs duties and tax revenue for Poland each year

A photograph of a wind farm at sunrise. Several white wind turbines are visible on a grassy hill. The sky is a mix of orange, yellow, and blue, with a layer of white clouds below the turbines. The sun is low on the horizon, creating a strong glow.

# Our expertise in focus **Energy**

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# Our energy expertise at a glance



**13.6%**  
of total funded loan  
equity investments  
exposed to  
**renewable energy**<sup>1</sup>



**2.2%**  
of total funded equity  
investments exposed  
to **conventional**  
**energy**<sup>1</sup>



**10 million+**  
meters provided  
for homes and  
businesses<sup>2</sup>



**No.2**  
**physical gas**  
**marketer** in  
North America<sup>3</sup>



**No.1**  
global renewables  
financial advisor<sup>4</sup>



**Leading**  
global renewables  
developer



**20+**  
**years'** sector  
experience



Research across  
**45+**  
**energy stocks**<sup>5</sup>



**450+**  
green energy  
and investment  
specialists<sup>6</sup>

## Capabilities across the **energy spectrum**

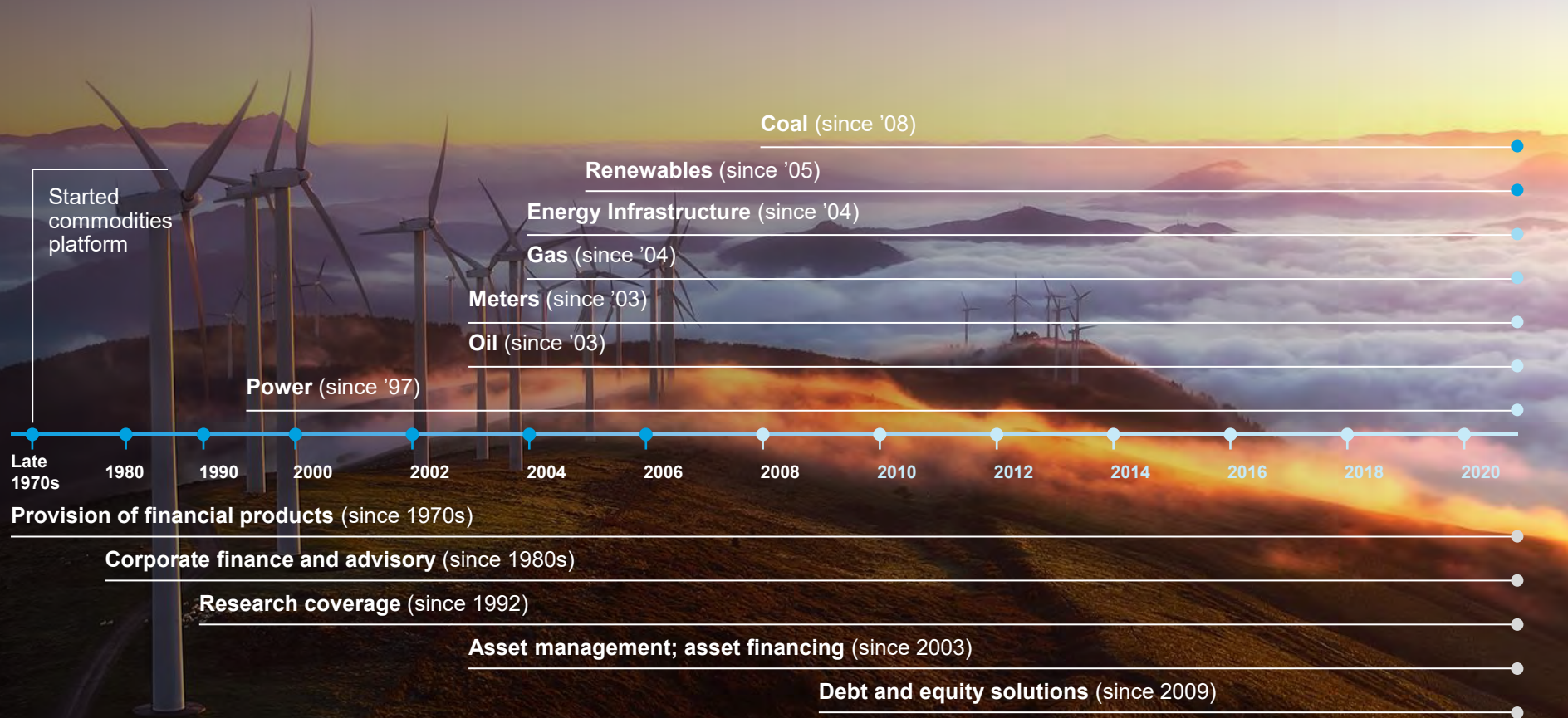
1. Equity investments are reported on a funded balance sheet basis and therefore exclude equity hedge positions and non controlling interests. Macquarie's carrying value of its interest in East Anglia ONE Limited is \$A2.8 billion, which has been partially funded with asset specific borrowings of \$A2.3 billion at 31 March 2020. Total funded equity investments amount to \$A7.4 billion as at 31 March 2020 (\$A5.9 billion at 31 March 2019). 2. At 31 March 2020, largest independent meter funder in UK, not part of a distribution network or vertically integrated utility. 3. Platts Q4 – March 2020. 4. Inspiratia (CY19, by transaction volume and deal count). 5. At 20 April 2020. 6. Includes operating platform employees. All data at 31 March 2020.

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# How we built our energy expertise



# Global opportunities in energy



Electricity demand to  
**triple**  
in Asia by 2040<sup>1</sup>



US to become a  
**net exporter**  
of energy by 2020<sup>2</sup>



Renewable energy  
will account for  
**~50%**  
of installed capacity by 2030<sup>1</sup>



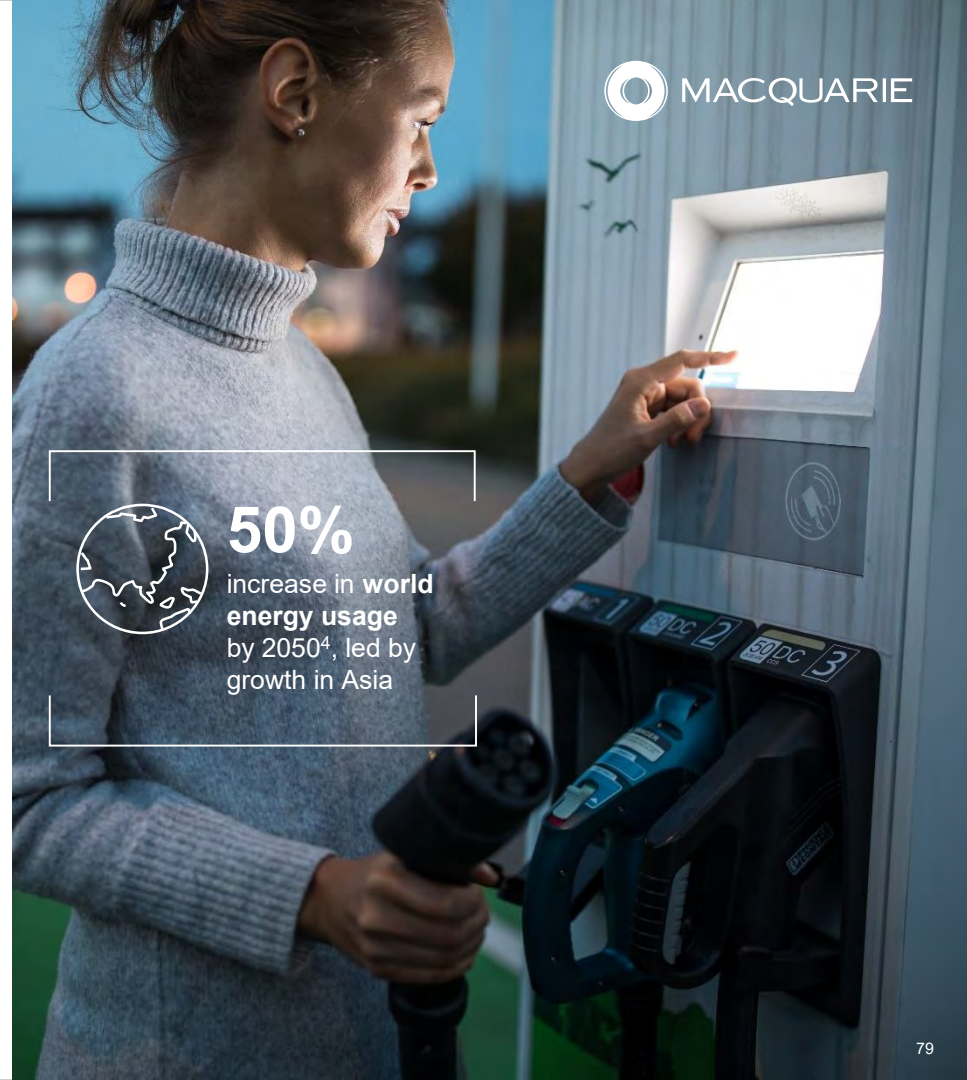
Electric vehicles predicted  
to account for  
**50%**  
of new car sales globally by 2035<sup>3</sup>

## Powering the transition to a low carbon economy


1. Future Energy Asia, 2018. 2. US Energy Information Administration, 2019. 3. Electric Vehicle Uptake: Modelling a Global Phenomenon 2019 <https://www.bitre.gov.au/sites/default/files/bitre-report-151.pdf>. 4. International Energy Outlook 2019 <https://www.eia.gov/outlooks/ieo>.  
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**50%**  
increase in **world  
energy usage**  
by 2050<sup>4</sup>, led by  
growth in Asia





A photograph of a wind farm at sunrise. Several white wind turbines are visible on a grassy hillside. The sky is a mix of orange, yellow, and blue, with a thick layer of white clouds below the turbines. The sun is low on the horizon, creating a strong glow.

# Case studies Energy

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# Accelerating the green energy transition with Savion



## Opportunity

Savion LLC is an integrated US solar and energy storage development platform with industry-leading enterprise and site evaluation systems. Macquarie's Green Investment Group (GIG) backs developers globally to invest in, manage and provide services to green energy projects, advancing its vision to create a leading solar and energy storage development platform in the US

## Actions

Backed by the belief that the US solar market presents an attractive investment opportunity, GIG acquired Savion in March 2019. The acquisition secures an additional 6GW development pipeline of utility-solar and storage projects, setting the stage for Savion's continued growth and a shared partnership with Macquarie Capital

## Outcomes

**10GW**

solar and energy storage development pipeline

**124**

current projects in various stages

**11GW**

of total solar and energy storage projects

**25**

US states with Savion projects in various stages

# Attracting further investment and jobs in regional South Australia

## Opportunity

With its strong wind resource and proximity to the national transmission grid, the Carmody's Hill wind farm development will support further investment and job creation in regional South Australia. Construction is expected to commence in 2022

## Actions

Together with Georgetown Hills Renewable Energy, Macquarie Capital is developing the Carmody's Hill wind farm, a high quality onshore wind farm development with up to 270MW capacity, c. 180km north of Adelaide, South Australia



## Outcomes

Equivalent to powering  
**179,000 homes**  
with renewable energy  
once operational<sup>1</sup>

**688,000 tonnes**  
of reduced CO<sub>2</sub> emissions  
per annum once operational<sup>2</sup>

**\$A115–130 million**  
forecasted economic benefit  
during the construction and  
operational phases

**Creating 200 direct and 320 indirect jobs** during construction and 20 full time and support roles (up to five direct and three indirect local to the project) during the operation and maintenance phase

# Positioning Preem, Sweden's largest refiner, to expand its renewable fuel capacity

## Opportunity

To meet the demand in growth associated with national and European environmental legislation, Preem set out to expand its clean fuel business

## Actions

Preem mandated Macquarie to lead, arrange and co-underwrite a \$US540 million loan facility structure

## Outcomes

Macquarie succeeded in creating a **term loan structure** that accommodated Preem's working capital financing requirements

The transaction enabled Preem to **refinance its existing debt ahead of further investment** in its Göteborg refinery

The transaction supported Preem's commercial goals to **expand production of hydrogen and renewable diesel** at its Göteborg refinery

The transaction further positions Preem to **increase its renewable fuel production** as part of its transition to clean fuels





# Building Los Angeles' energy grid for tomorrow with AMS, CIT and Tesla



## Opportunity

The rapid growth of renewables coupled with the retirement of aging power plants has created significant stress on California's electrical grid. To address this, Advanced Microgrid Solutions (AMS) developed an aggregated fleet of battery-based energy storage systems for large-load commercial and industrial customers

## Actions

Macquarie Capital acquired a 62MW in-development portfolio of distributed battery storage systems from AMS in 2016. Macquarie Capital structured, arranged and established a bankable contractual framework to secure \$US200 million of project capital to design and build the fleet using Tesla batteries. The financing, with CIT Bank, was one of the largest project financing deals in the emerging sector, and an industry-first for this asset in the US

## Outcomes

**62 MW / 342 MWh**  
fleet of behind-the-meter battery storage

**Landmark industry-first**  
project financing in the emerging behind-the-meter energy storage sector

**\$US200 million** of project capital to roll-out the portfolio

**Alleviating** California's electrical grid congestion

**Customer electricity bills lowered** across the West Los Angeles Basin

**Diverse grid services** from flexible reserve capacity to voltage management

# Enabling energy supplier roll outs of smart technology in the United Kingdom



## Opportunity

So Energy is one of the UK's fastest growing energy suppliers and Macquarie is one of the UK's largest meter asset providers

## Actions

In partnership with Morrison Data Services, we are funding So Energy's installation of second-generation (SMETS2) smart meters for UK energy consumers

## Outcomes

Macquarie will fund a material proportion of So Energy's smart meter roll out

This creates a platform to **support other independent energy suppliers** to deliver their own smart meter programmes

These programmes can combine meter procurement, installation and maintenance

This programme **supports the UK Government's commitment** to help consumers better manage their energy use

It **enables and delivers a smarter grid** for the connection of electric vehicles, distributed generation and home energy management devices

# Capturing geothermal energy to power the Philippines



## Opportunity

The Philippines' energy needs are expanding, driven by population growth and urbanisation, with 7GW more power generation facilities required over the next five years<sup>1</sup>

## Actions

A Macquarie-led consortium acquired 47.5 per cent of the world's largest vertically integrated geothermal company, Energy Development Corporation, through a public tender offer

## Outcomes

Working alongside a  
**Strong local partner**

Provides  
**1.4GW**  
of clean energy  
to the local community

Contributing to the  
Department of Energy's  
**2016–2030**  
energy roadmap

**90%**  
of energy generated  
contracted for an  
average eight years



# Supplying affordable and reliable electricity to Sydney's Greater West and the Illawarra

## Opportunity

Sydney's Greater West is one of the fastest growing regional economies in Australia, requiring increasing levels of reliable power

## Actions

Macquarie led a consortium of investors to acquire a 50.4 per cent stake in Endeavour Energy, with a five year plan in place to continue downward pressure on electricity bills while maintaining a safe and reliable network

## Outcomes

Reducing operating expenses per customer to maintain the **lowest network bill** in NSW

**\$A6.2 billion**

electricity distribution network serving **2.4 million+** people

Investing efficiently to replace ageing equipment and connect  
**~105,000**  
new customers over five years

Connecting to solar, batteries, microgrids and smart meters, providing customers with **choice and control**

**59,000km+** power lines

**430,000+** power poles

**164** zone substations

**120,000** customers with renewable generation



# Helping to meet the energy needs of Washington State

## Opportunity

Washington State is focused on providing resilient, reliable and sustainable energy generation for its growing population

## Actions

In February 2009 Macquarie led a consortium of investors in the take-private of Puget Sound Energy and has supported the company to improve energy delivery for its 1.5 million customers

## Outcomes

More than  
**\$US7 billion**  
of capital expenditure  
invested across the business

Added  
**400+MW**  
of hydro, wind  
and solar generation

Replaced coal-based generation  
with **renewable energy**

More than **3,100 employees**  
in 2018, **up** from 2,800 in 2008

First-quartile ranking for  
**employee safety** each year  
since 2012

Improved **regulatory outcomes**  
and **stakeholder relationships**



# Giving consumers better control of their energy use

## Opportunity

As part of a plan to upgrade energy supply and improve efficiency, the UK Government has mandated the adoption of smart meters to reduce carbon emissions

## Actions

Since being awarded its first gas and electric meter installation contract in 2003, Macquarie has become the largest independent<sup>1</sup> smart meter owner in the UK, helping consumers to better control their energy use and what it costs them



## Outcomes

**Largest**

independent<sup>1</sup> smart meter owner in the UK

Installed smart meters in

**~6 million**

UK homes and commercial premises by 2021

**~20%**

of UK smart meter market

Contracts to own and deploy

**10 million+**

residential smart gas and electricity meters in UK to 2021



# Ensuring the provision of gas and electricity meters for energy suppliers



## Opportunity

As traditional energy meters are no longer manufactured ahead of the UK's mandated smart meter rollout, existing traditional energy meters can be refurbished, allowing energy suppliers to continue to service their customers

## Actions

Macquarie's Meter Processing Centre stores and refurbishes high quality, pre-used traditional meters to ensure ongoing supply and service delivery, while lowering costs and reducing waste

## Outcomes

Investment in **equipment, systems and processing** to increase the volume, quality and efficiency of refurbished meters

Building a **stockpile of 260,000** refurbished meters for future use

Providing **lower cost** traditional meters for energy suppliers and their customers

**~10,000**  
traditional meters refurbished and redeployed **per month**

**560,000+**  
traditional meters refurbished and redeployed **in total**



Our expertise in focus  
**Technology**

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# Our technology expertise at a glance



Research across  
**280+**  
telco, media  
and technology  
stocks<sup>1</sup>



Australia's  
**1st**  
open banking  
platform



**1st**  
Australian bank  
with lending and  
retail deposits  
powered by **one core  
banking system**



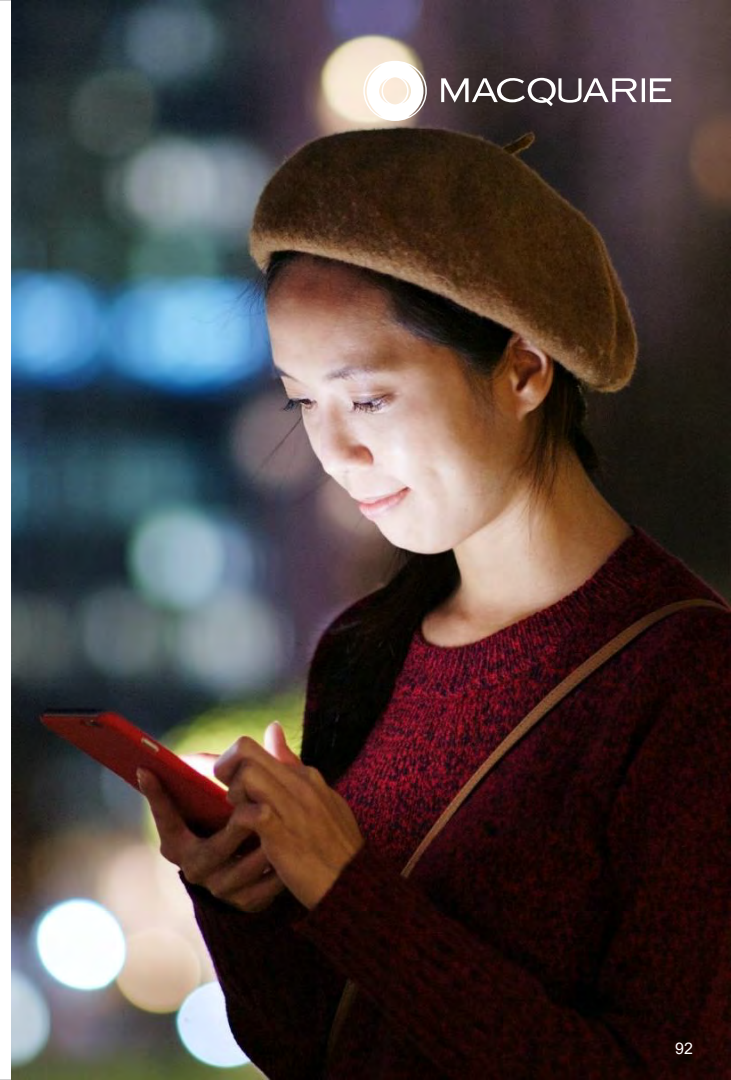
**Award  
winning**  
digital banking  
offering<sup>2</sup>



**Leading advisor for IPOs**  
in Australia with dominant market share  
in technology sector IPOs<sup>3</sup>

Equipping our business – and our clients –  
for the **technology revolution**

1. At 20 April 2020. 2. Winner in 2020 Mozo Experts Choice Awards for Exceptional Everyday Account, Excellent Banking App and Internet Banking / Macquarie Transaction account awarded a Canstar 5 star rating for outstanding value travel debit card / Winner in the 2019 Mozo Experts Choice Awards for Internet Banking and Exceptional Everyday Account / Winner in the 2018 Mozo Experts Choice Awards in the Travel Money/International Money Transfer category. 3. Dealogic at December 2019. Number of deals – ASX tech IPOs >A\$50m since 2009.  
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# How we built our technology expertise

## Investing in platforms

Innovative wrap investment platform since '99

- **Australian Core Banking** platform
- Global **oil trading platform** introduced

API-enabled technology

- Car buying and financing **ecosystem**
- **Smart meters** for UK residents

- Supported **Google Pay**
- **Leading** digital banking experience

- **Search-as-you-speak** natural language recognition for online and mobile banking
- Supported **Apple Pay**

## Investing with entrepreneurs

Seek '99

- RPData '04
- Smart Salary '04
- oOh!media '06
- SeekAsia '10
- Nuix

- PEXA
- Temple & Webster
- Takeaway.com

Next Payments

- FinTech Collective (Fund I)
- RedEye
- Renrui HR

- Informatica
- Stone & Chalk
- Digital River

- Console
- FoodByUs

FinTech Collective (Fund II)

PropertyIQ

## Investing in Macquarie capability

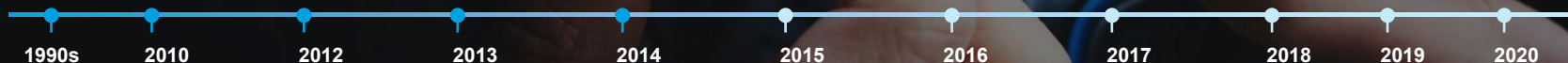
- Award winning **workplace experience** at 50 Martin Place
- **Cloud-first strategy**

- Enhanced **cyber security** capabilities
- **Private Cloud** (Asia)
- **Public Cloud** (Global)

**Network Transformation Program**

**Private Cloud** (Australia)

**Private Cloud** (Americas and EMEA)



# Global opportunities in technology



AI to provide  
**\$US14 trillion**  
economic boost to developed  
economies by 2035<sup>1</sup>



Global number of IoT-connected  
devices to reach  
**43 billion** by 2023  
**up 300%** from 2018<sup>2</sup>



The brain-computer interfaces  
market is expected to reach  
**\$US283 million**  
in value by 2025<sup>3</sup>



**~5 million** 5G subscriptions in 2019  
– expected to increase to  
**1.9 billion** by 2024<sup>4</sup>

**Helping entrepreneurs develop  
our future technologies**

1. Unleashing AI Power <https://www.accenture.com/us-en/insight-ai-industry-growth> 2. McKinsey & Company <https://www.mckinsey.com/industries/private-equity-and-principal-investors/our-insights/growing-opportunities-in-the-internet-of-things> 3. Bloomberg 2019 <https://www.bloomberg.com/press-releases/2019-06-06/global-brain-computer-interface-bci-market-projected-to-be-worth-us-283-04-mn-by-2025-with-high-incidence-of-brain-disorders> 4. The Evolution of 5G Promises Powerful New Features and Capabilities <https://www.bloomberg.com/press-releases/2020-01-16/the-evolution-of-5g-promises-powerful-new-features-and-capabilities> 5. Global Ecommerce, eMarketer, June 2019. 6. China Internet Watch, China Internet Statistics, June 2019.

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## Case studies

# Technology

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# Creating safer and smarter living spaces in Korea

## Opportunity

Founded in 1971, ADT Caps provides security services to ~600,000 customers across Korea. In late 2017, the Carlyle Group began a divestment process for the sale of its 100% stake in ADT Caps. Macquarie Infrastructure and Real Assets (MIRA) identified the infrastructure-like qualities of the essential services ADT Caps provides given its nationwide network and strong brand position.

Information accurate at 31 March 2020 unless otherwise stated.

1. Largest mobile communications operator by number of smartphones used at June 2020. Source: Korean Government organisation for Telecommunication and Broadcasting Industry, under Ministry of Science and Information and Communication Technology.  
© Macquarie Group Limited

## Actions

Beyond the resemblances it shares with core infrastructure, MIRA also identified similarities between the business model of ADT Caps and subscription-based services, especially those at the centre of digital transformation. Recognising these synergetic features, MIRA approached Korea's largest mobile communications operator, SK Telecom<sup>1</sup>, to successfully form a consortium and jointly acquire ADT Caps.

## Outcomes

Integration of 5G, artificial intelligence, cloud and mobility technology to enhance security services for  
**~600k** users in Korea

**Improved parking experience** with unmanned and remote parking facility services reliant only on smart phone applications

## Smart home solutions

for residents to easily manage their services and access facilities remotely

- individual security
- mail delivery
- parking

Investing beyond the traditional infrastructure sectors to create more **desirable places for people to live and work**



# Investing in the future of transport with Via



## Opportunity

Via is an on-demand transit provider focused on shared rides, with services in more than 20 cities and 700+ million global rides to-date<sup>1</sup>. In early 2020, Via initiated a fifth round of financing to further advance its vision of a more efficient, accessible and equitable public mobility model

## Actions

In a Series E financing led by EXOR, Macquarie Capital contributed to a capital raise that values the company at \$US2.25 billion. Macquarie Capital's investment was backed by the firm belief in Via as the mobility-tech platform with the greatest long-term potential, and in the creation of value through a strategic partnership

## Outcomes

**Strategic partnership** established with Macquarie Capital, driving shared mission of next-gen transportation infrastructure that is scalable, energy-efficient, technology-led and affordable

Equity raise currently values Via at **\$US2.25 billion**

Through increased **access to capital**, Via is well-positioned to continue powering the next generation of public transportation

Via to leverage its emergency services and transit network optimisation expertise to **help communities impacted by COVID-19**

# Creating a leading experience for Australian home loan customers

## Opportunity

To offer a leading experience for Australian home loan customers

## Actions

- Used Human Centred Design to create an exceptional customer experience on the home loan journey
- Invested in our teams and processes to deliver industry leading turnaround times for clients and brokers
- Developed a leading digital banking experience for clients, using world class technology
- Launched a real-time home loans originations platform, delivering far greater speed and efficiency
- Simplified our offering to focus on Macquarie branded home loans, with a strategic focus on lower risk loans

Information accurate at 31 March 2020 unless otherwise stated.  
1. FY20 versus FY19. 2. Comparator QMD for home loans as at December 2019 / December 2018.  
© Macquarie Group Limited



## Outcomes

**An award winning home loan** offering for Australian homebuyers, a growing share of the competitive Australian home loan market, all while maintaining our prudent approach to lending

**Leading turnaround times** for home loans – 2 days median time to formal approval for fully documented loans

**Award-winning** digital banking experience with Australian first features for clients

**Tier 1 Lender of the Year** at the 2019 Mortgage Choice Awards

**Shortlisted in the Major Lender** category of the MFAA Banking Awards in all states and territories for 2020

Home loan portfolio of **\$A52.1 billion**, up 35% on March 2019

Settlements growth of **75%**<sup>1</sup>

Portfolio overweight in **sub 70% LVR loans**

**More than 90%** of home loans originated through brokers

**20% share** of the broker market for <=70% LVR, an increase of 14% on the prior corresponding period<sup>2</sup>



# Meeting the liquidity needs of private credit funds



## Opportunity

Traditional financing products with lengthy negotiation processes were limiting the agility of investment managers to source and deploy capital to fund transactions

## Actions

Providing flexibility and speed to market, Macquarie introduced Settlement Solutions – a repo-like liquidity product that bridges short term capital needs and alleviates operational challenges

## Outcomes

**Bridges** to capital calls, syndication, co-investments, and new debt and equity capital in as little as 2 weeks

**Facilitates** optimal allocation of new and existing deals

**Hedging** in multiple currencies to manage FX exposures

Closed

**\$US7 billion<sup>1</sup>**

of trades across **250+ private debt deals**, facilitating efficient flow of capital across all industry sectors

Winner of

**2019 PDI Fund Financier of the Year<sup>2</sup>**

# Delivering innovative solutions for over one million Australian businesses and accountants



## Opportunity

Macquarie Capital advised private equity firm KKR on its acquisition of MYOB, Australia's leading accounting and business management software which provides accounting, payroll, tax, practice management, CRM, job costing, and inventory solutions. Headquartered in Melbourne, Australia, MYOB provides software solutions to ~1.2 million businesses and accountants across Australia and New Zealand

## Actions

Macquarie Capital used its deep expertise to navigate complexities unique to the acquisition, including pre-bid tactics, offer price revisions, and responding to an activist attempt to influence the transaction

## Outcomes

### Privatisation

accelerating MYOB's ambitions to develop new innovative business solutions for customers

### ~1.2 million

businesses and accountants across Australia and New Zealand to benefit from KKR's partnership

### Full-service capabilities

offering M&A and debt capital markets expertise

Providing deep sector knowledge and demonstrating leadership in M&A, securing our position as **exclusive** buy-side adviser to KKR

# Supporting the growth of a leading specialist in testing and compliance services



## Opportunity

Premier Technical Services Group (PTSG) provides tech-enabled specialist testing and compliance services to over 20,000 customers in the UK. It ensures the safety of life-saving systems like fire and fall-arrest protection in buildings across the nation

## Actions

Macquarie Capital and our co-investors provided capital and financial expertise to acquire the business in a public to private deal and enable PTSG to realise its growth ambitions as a private company

## Outcomes

Supporting PTSG management's ambition to continue delivering strong growth supported by highly recurring testing and maintenance revenue

Macquarie Capital completed an acquisition of the UK's PTSG for more than  
**£300 million**

**200,000** buildings inspected annually to ensure statutory and regulatory compliance

Ongoing commitment to employee safety having been distinguished by official safety bodies since 2011

**Future growth to be realised** through a combination of continued organic growth and targeted acquisitions



# Expanding academic opportunities for healthcare professionals across the US



## Opportunity

Founded in 1992, Unitek Learning (Unitex) is an industry-leading nursing and medical services education provider in the US, producing highly qualified, licensed healthcare professionals. To support its continued growth, Unitek was seeking additional investment and a partner with capital resources, healthcare expertise and a proven track record in the education sector

## Actions

Macquarie Capital advised Unitek on its sale to the Vistria Group. Macquarie Capital structured a highly competitive and targeted sale process, focused on investors with proven success in education and healthcare. Along with highlighting Unitek's robust enrolment pipeline and industry-leading student outcomes, Macquarie Capital's comprehensive approach helped ensure a successful outcome for shareholders

## Outcomes

Increased **access to capital**, allowing Unitek to grow and transform its business

Unitex is one of the largest **nursing footprints**, with **14 campuses** across the Western US

Unitex is well-positioned to **enhance its capabilities, technologies and learning opportunities** for students

Unitex continues to deliver **highly qualified nurses** to the US healthcare system

# Enabling the healthcare workforce in the US



## Opportunity

Orbis Education Services, LLC builds strategic partnerships with academic institutions and healthcare systems to deliver healthcare education programs, helping address the shortage of skilled healthcare workers in the US. In 2018, Orbis was seeking additional investment in its fast-growing business and a partner with capital resources and cultural compatibility

## Actions

Macquarie Capital acted as the exclusive sell-side adviser to Orbis on its sale to Grand Canyon Education, Inc. (GCE) – a leading service provider in the education, healthcare, business and liberal arts disciplines. Macquarie Capital's unique dual-track process including buyout and pre-IPO recap provided shareholders significant optionality and maximised competitiveness, driving further value by focusing prospective investors on the growth trajectory of Orbis and its steady-state profitability

## Outcomes

A definitive business combination agreement between Orbis and GCE

GCE acquired all the **outstanding stock** of Orbis in cash

Increased **access to capital** enabling Orbis to address nationwide shortage in licensed healthcare professionals

Orbis' **academic and healthcare partnerships** remain in place

Increasingly **diversified client base** for GCE

Orbis' **operations** continue to operate from Carmel, Indiana with **new locations** opening in the future

# Connecting global investors to China's sought-after unlisted technology companies

## Opportunity

China's technology sector has been growing rapidly over the past decade, as home to six of the 10 largest "unicorns" (unlisted firms worth over \$US1 billion) in the world<sup>1</sup>

## Actions

Macquarie is bringing together global investors with China's leading private telecommunications, media and technology companies, to create opportunities for both sides

## Outcomes

**Pre-IPO investment in some of China's fastest-growing disruptive companies in:**

- Transportation and logistics
- Lifestyle
- Delivery
- Online education
- Travel and tourism

Expected  
**\$US1.5 billion+**  
of private placement transactions<sup>2</sup>

Providing a  
**gateway to investors**  
from the US, the Middle East, Europe and across Asia

Supplying  
**capital and liquidity**  
to China's entrepreneurs who are changing their society





# Digitally disrupting Australian retail banking

## Opportunity

Australians expect their banking experience to feel like the social and digital services they use every day

## Actions

Macquarie's highly personalised and intuitive digital banking experience uses the same technology as Netflix and Facebook

## Outcomes

Award-winning digital banking for customers  
**Technology-led innovation**

**1st**  
of a kind features in Australia

**First Australian bank**  
with retail lending and deposits on a real time banking platform

Australia's  
**1st**  
open banking platform



# Driving innovation in retail financial services

## Opportunity

Australian consumers have continually sought advancements in the delivery of banking and financial services

## Actions

Macquarie has a long history of introducing innovative products to the Australian market, improving competition and increasing efficiencies for consumers

## Outcomes

Introduced Australia's first **Cash Management Trust in 1980** pooling retail funds to provide wholesale interest rates

Pioneered the **Australian RMBS market in 1992** promoting greater competition in the home loans market

Created **DEFT in 1995**, Australia's first rental collection payment system

Launched a **Wrap platform in 1999** which has since become one of Australia's largest wrap platforms

Created a leading **digital banking experience in 2016** with features that are firsts in Australian banking

Introduced Australia's first **open banking platform in 2017** giving customers control over their own data



# Introducing an innovative way to pay property deposits



## Opportunity

Despite instant payments in other areas, Australian homebuyers were still expected to bring a pre-issued bank cheque to property auctions

## Actions

Macquarie created Australia's first mobile payment platform to allow buyers to pay deposits online

## Outcomes

**Improved customer experience** for Australians in competitive property auctions

First-of-its kind digital platform:  
**DEFT Auction Pay**

**1,000+**  
**transactions**  
since August 2017

Brought Australia's property auctions into the **digital age**

Reduced back office **administration** for agents

Enables deposits to be paid online in  
**2 minutes**



# Our expertise in focus

## Commodities

---



# Our commodities expertise at a glance



## 115+ products

across 15+ market segments, covering agriculture, energy and metals



## Electricity and Environmental Products House of the Year<sup>1</sup>



## No.2 physical gas marketer in North America – the highest ranked non-producer<sup>2</sup>



## Natural Gas/LNG House of the Year<sup>3</sup>



**In-house technical experts** including: logistics experts, geologists, meteorologists, petroleum and mining engineers, data scientists, and quant finance and theoretical physics PhDs



Risk and capital **solutions** across **physical and financial** markets



**~12 billion** cubic feet of natural gas volume traded across North America daily<sup>2</sup>



One of the longest **track records** in metals markets globally for a financial institution – **40+ years**

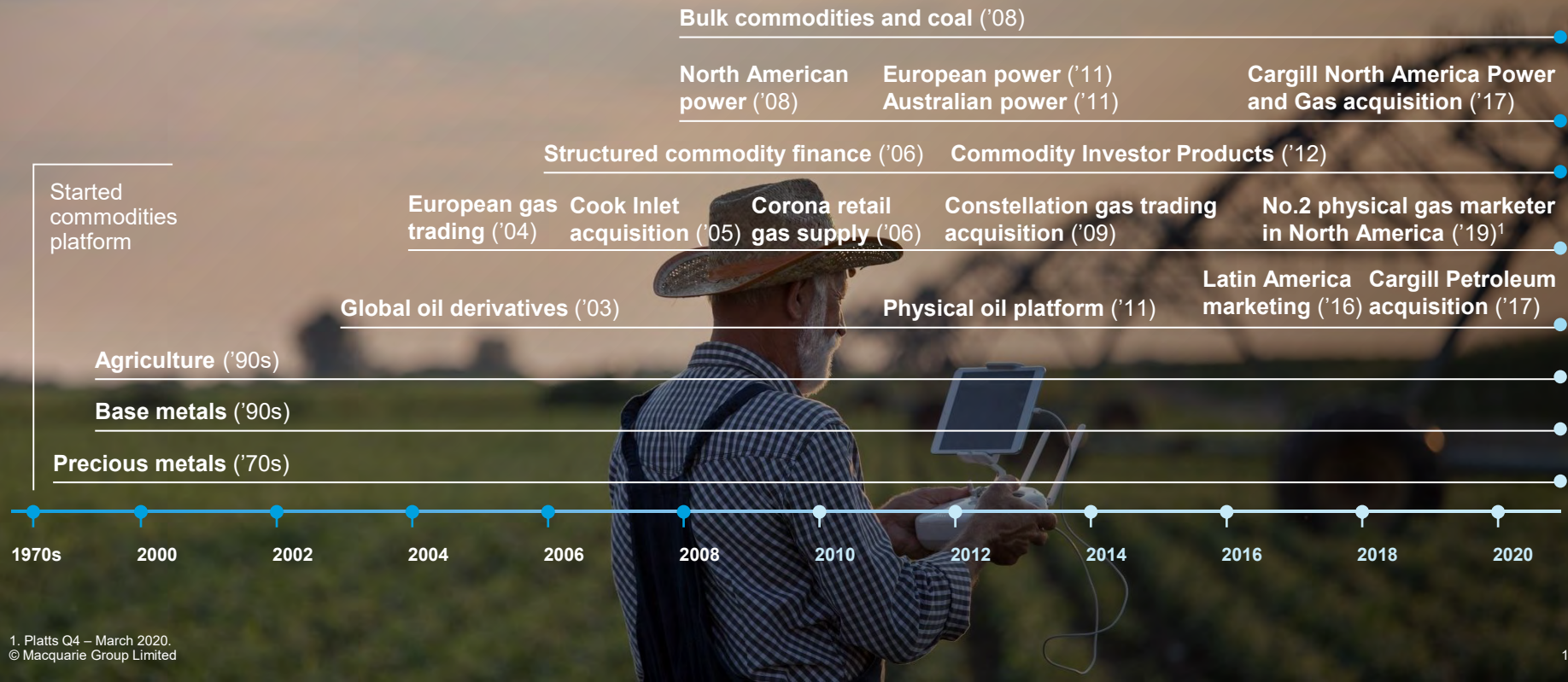
A core Macquarie business for **four decades**



# How we built our commodities expertise



Expansion into **adjacent spaces** through acquisitions and **organic growth**



<sup>1</sup> Platts Q4 – March 2020.  
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# Global opportunities in commodities

## Changing energy market dynamics



**58%**  
increase in **global power demand** by 2040<sup>1</sup>



Global population  
**10 billion**  
by 2050<sup>2</sup>



Requires a  
**50%**  
increase in global  
food production<sup>3</sup>



Lithium demand to  
**double or even triple** by 2030<sup>4</sup> as  
electric vehicles and  
their batteries surge  
in popularity



US to become a  
**net exporter of energy** by 2020<sup>5</sup>



Mid-2020s – US  
becomes **world's largest liquefied natural gas exporter**<sup>6</sup>

Providing access across the commodities spectrum  
in a **dynamic global market**

1. Bloomberg, 2017. 2. United Nations, World Population Prospects 2019 [https://population.un.org/wpp/Publications/Files/WPP2019\\_10KeyFindings.pdf](https://population.un.org/wpp/Publications/Files/WPP2019_10KeyFindings.pdf).  
3. Food and Agricultural Organisation, United Nations 2017. 4. Commodities and Development Report 2019  
[https://unctad.org/en/PublicationsLibrary/ditcom2019d3\\_en.pdf](https://unctad.org/en/PublicationsLibrary/ditcom2019d3_en.pdf). 5. US Energy Information Administration, 2019. 6. International Energy Agency, 2017.  
7. World Energy Outlook 2019 <https://www.iea.org/reports/world-energy-outlook-2019/electricity#abstract>.  
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Africa's increase  
in oil consumption to  
**surpass China's**  
by 2040<sup>7</sup>



Africa's population  
expected to increase by  
**half a billion**  
people by 2040<sup>7</sup>

# Case studies

## Commodities

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# Helping sustain global food supplies



## Opportunity

Ammonia is a globally traded commodity critical to the agriculture and manufacturing industries. Most commonly used in the production of fertilisers, it is essential to helping boost crop yield and feeding the world's growing population.

As demand for the chemical continues to rise so will the need for energy and chemical producers to increase output and ultimately help sustain global food supplies

## Actions

Macquarie Capital, Agrifos and Mabanaf joined forces to develop Gulf Coast Ammonia (GCA) which, upon completion, will be both the largest single train ammonia loop and largest ammonia storage tank in the world.

Macquarie Capital's energy principal team provided fundamental guidance on the commercial structuring of the Texas-based project while sourcing and negotiating key offtake agreements. Macquarie Capital's industry-leading infrastructure advisory team successfully led the construction equity raise and advised on the debt structuring in a first of its kind transaction for US infrastructure capital

## Outcomes

The **world's largest** single train ammonia loop

**1.3 million tons** of ammonia annually

**1st ammonia transaction** completed in the US project finance commercial lending market

**+1,000 jobs** at peak construction



# Shaping the future of sustainable commodity markets



## Opportunity

First exchange that uses machine learning and AI to convert ESG data into digital, environmental commodity attributes to be traded with, or disaggregated from, physical commodities

## Actions

Issued by Sydney and San Francisco-based Xpansiv CBL Holding Group (XCHG), Macquarie, as part of a consortium, invested in a \$US25 million convertible note round

## Outcomes

Investment anticipates the evolution of the commodities market, and **Macquarie's growing presence in sustainable commodities**

Data is captured at source onwards and provides environmental provenance and visibility over the commodity's **GHG footprint and other ESG characteristics**

XCHG platform empowers participants to value products based on **environmental impact, water usage and carbon emissions**

XCHG will be a key enabler for Macquarie's wider **carbon offset financing and trading business**

# Acquisition brings iconic Australian gold asset under 100% domestic ownership for the first time

## Opportunity

Following the sale of Barrick Gold Corporation's 50% interest in the Kalgoorlie Super Pit to Saracen Mineral Holdings in November 2019, Northern Star Resources Limited and Macquarie Capital quickly pivoted to engage with Newmont Goldcorp Corporation regarding the possible sale of its remaining 50% interest in the asset

## Actions

Macquarie Capital assisted Northern Star to successfully negotiate, finance and agree the terms of the \$US800 million transaction with Newmont. Macquarie Capital acted as financial adviser to Northern Star on the acquisition and as global coordinator, joint lead manager, bookrunner and underwriter to the associated \$A765 million equity raising

## Outcomes

**100%**  
Australian ownership  
of Kalgoorlie Super Pit

**590kozpa**  
average gold production  
over the last two calendar years,  
Australia's 3rd largest gold mine

**80Moz**  
gold endowment as part  
of the greater Golden Mile  
and Mt Charlotte Systems

**\$A765 million**  
equity raised to partially  
fund the transaction



# Offering clients a deeper, broader global energy team

## Opportunity

Macquarie saw the opportunity to expand the depth and breadth of its global energy platform, adding new capabilities and expertise

## Actions

Completing the acquisitions of the Cargill Petroleum and Cargill North America Power and Gas businesses, Macquarie has grown the services and support it provides to customers

## Outcomes

Enhanced capability, adding

**110+**  
energy specialists

Expanded  
**geographic coverage**

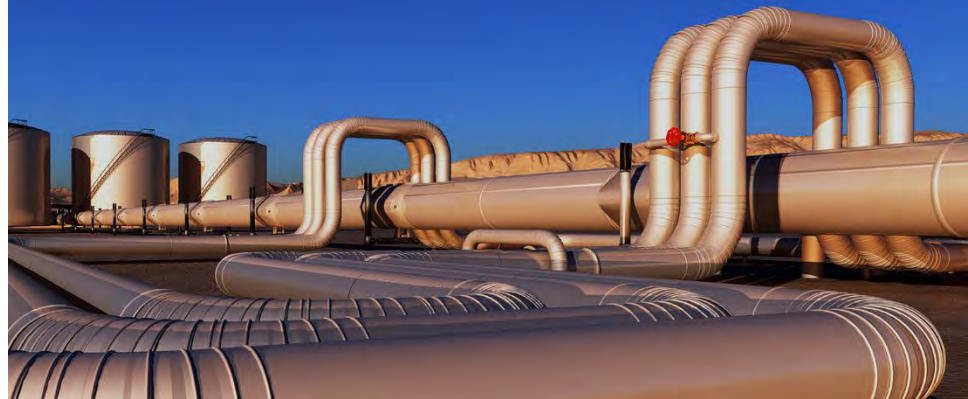
Access to  
**new markets**  
and customers

**Increased oil logistics**

capability across Latin America, China, Africa, the Middle East

**Greater oil insights**

Expands coverage of North American  
**gas and power**





# Maximising primary production through precision farming



## Opportunity

Demand for food is being driven by global population growth, and increasing urbanisation and wealth in emerging markets

## Actions

Precision farming technologies have been introduced to the 90,000 hectares of cropping farmland owned by a Macquarie-managed fund

## Outcomes

**20 years**  
of **experience** in agriculture

**32%**  
above Australian national average for **primary winter crop production yield** in 2017

**Employs 300+ people**  
from local communities

**90,000 hectares**  
managed down to 2cm accuracy

**60%**  
**reduction** in chemicals using weedseeker technology, reducing environmental impact

**Drone and satellite technology** monitors crops



# Our expertise in focus **Renewables**

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# Our renewables expertise at a glance



**\$A20.4 billion**  
renewable energy  
assets under  
management<sup>1</sup>



**No.1**  
global renewables  
financial advisor<sup>2</sup>



**Leading**  
global renewables  
developer



**450+**  
green energy and  
investment specialists<sup>3</sup>



**\$A9.0 billion**  
invested in or arranged  
in green projects in FY20



**European  
Renewables  
Deal of the Year**  
– East Anglia ONE<sup>4</sup>



**Renewable  
Energy  
Deal of the Year**  
– Formosa 1  
Offshore Wind Farm<sup>5</sup>



**Best syndicated  
green loan<sup>5</sup>**

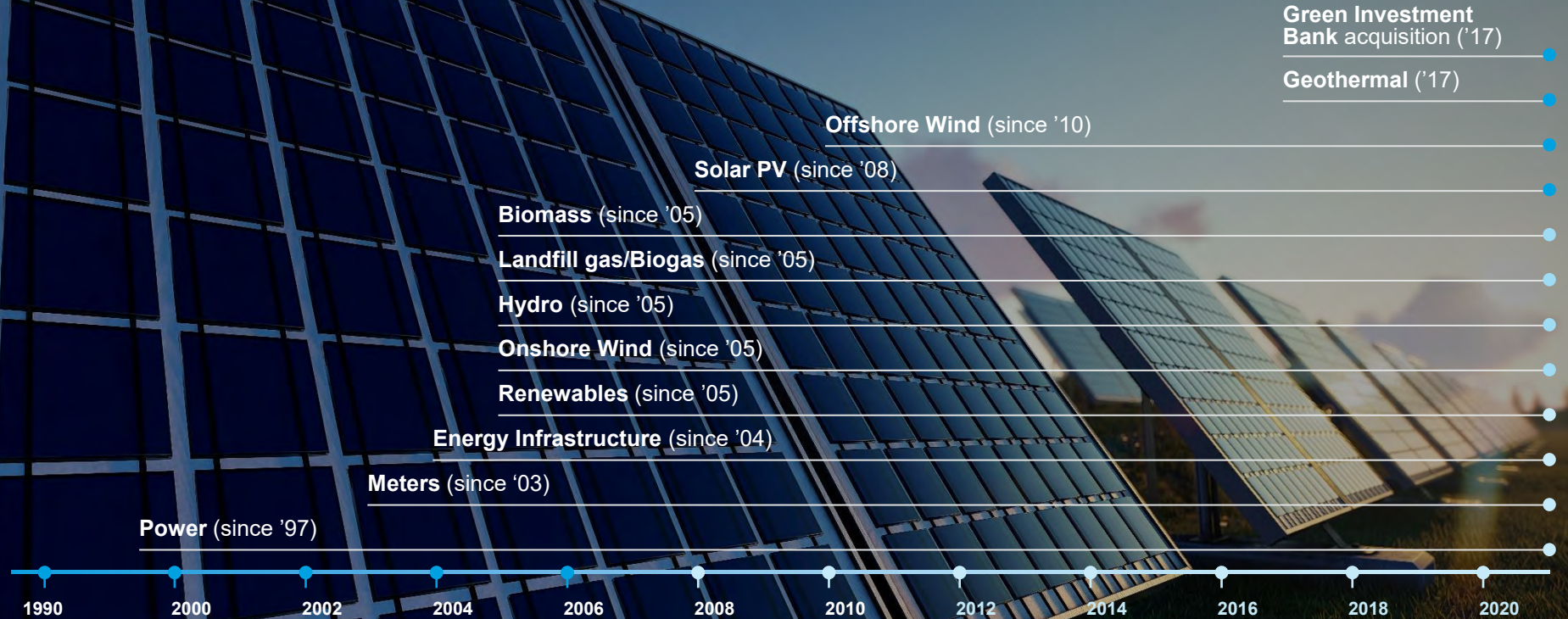
**A global leader** in the transition to a greener economy

1. At 31 March 2020. 2. Inspiratia (CY19, by transaction volume and deal count). 3. Including investment platform personnel.  
4. CY19 Infrastructure Investor. 5. The Asset Triple A Infrastructure Awards 2019.  
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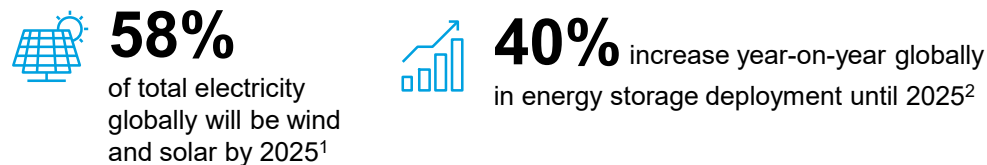
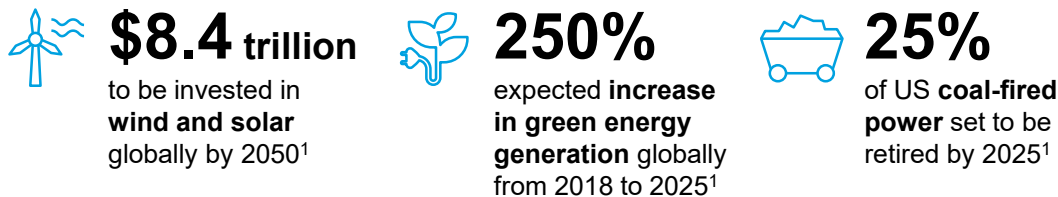




# How we built our renewables expertise



# Global opportunities in renewables



A powerful platform supporting the **next phase of expansion** in renewable energy

1. BNEF. 2. IRENA, 2020 <https://www.irena.org/newsroom/articles/2020/Mar/Battery-storage-paves-way-for-a-renewable-powered-future>.  
© Macquarie Group Limited

“

What's going on in green energy globally is an exciting story presenting **opportunities that we have the expertise to pursue.**”

**Daniel Wong**  
Co-Head of Macquarie Capital



# Case studies **Renewables**

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# Powering the first offshore wind farm in Taiwan



## Opportunity

Taiwan is prioritising renewable energy development. The Government aims to increase electricity generated from renewable power from 5% now to 20% in 2025, including 5.5GW of offshore wind and an additional 10GW by 2035

## Actions

Macquarie's Green Investment Group, alongside partners, has been developing and investing in the Formosa projects, which includes Taiwan's first offshore wind farm – Formosa 1. The team utilised extensive offshore wind expertise and considered issues less common in the mature markets of Europe, such as typhoons, tsunamis and limited grid infrastructure. Formosa 2 is now under construction while Formosa 3 pursues its next round of grid allocation

## Outcomes

Up to  
**2.5GW**  
offshore wind assets  
under development

**128MW**  
capacity in Formosa 1 and  
is Taiwan's first and only  
commercial-scale wind  
farm in operation

Powering over approximately  
**2 million**  
homes in Taiwan once completed

### Industry recognitions of Formosa 1

- The Asset's Renewable Deal of the Year APAC 2019
- PFI Renewables Deal of the Year 2018
- IJGlobal's Offshore Wind Deal of the Year in Asia-Pacific 2018

# Supporting Australia's transition to renewable energy



## Opportunity

Palisade Investment Partners (Palisade), on behalf of funds managed by Palisade and First State Super, sought to grow and diversify their Australian renewable energy portfolio through the acquisition of the 270MW Snowtown 2 Wind Farm from Tilt Renewables (Tilt)

## Actions

Macquarie Capital acted as financial adviser and debt arranger to Palisade on the acquisition, successfully navigating a highly competitive sales process. The project reached financial close in December 2019, shortly after entering into binding sales arrangements

## Outcomes

### Largest sale transaction

for an operational wind farm in Australia by value

Capable of generating 270MW of energy, equivalent to providing power to over

**140,000 homes**

per year

Enterprise value of  
**~\$A1,073 million**

with proceeds to Tilt of  
\$A472 million

Builds on **Macquarie's extensive track-record of success** in the Australian renewable energy sector

# Supporting green energy infrastructure in emerging economies



## Opportunity

To mobilise capital to help the world's developing economies adapt to climate change, Macquarie's Green investment Group formed UK Climate Investments (UKCI)<sup>1</sup> with the UK Government

## Actions

With a mandate to invest £200 million from the International Climate Fund across a range of projects, UKCI first helped finance a utility-scale solar farm in Maharashtra, India<sup>2</sup>

## Outcomes

Clean electricity for  
**20,000+**  
homes in India's second most populous state

**60MWp**  
of generation capacity

**200,000+**  
solar photovoltaic panels  
installed across **~240** acres

Helped avoid  
**80,000** tonnes  
of carbon emissions



# Supporting the transition to a greener economy in Poland



## Opportunity

Poland is committed to having 21% of gross final energy consumed come from renewable energy sources by 2030<sup>1</sup>. Kisielice onshore wind farm is a contributor towards that goal

## Actions

Macquarie's Green Investment Group (GIG) acquired the 42 MW Kisielice onshore wind farm in Poland.

GIG brought together an intricate set of contracts, structures and concepts across fields of expertise ranging from infrastructure investment to project financing, and renewable energy trading to operational asset management

## Outcomes

Operational since 2014, the wind farm consists of **21 Enercon E82 turbines**, generating enough renewable electricity to power 45,000+ homes per year

A physical route-to-market Power Purchase Agreement (PPA) was structured with a floating price, together with hedging contracts for Polish Property Right Certificates, with a leading utility and energy trading company, Axpo

GIG underpinned the equity investment with a long-term corporate PPA with Signify

The PPA will deliver **~85 GWh** of renewable energy annually to Signify's Polish operations, contributing to their RE100 commitments

# Partnering with Japanese clients to fuel Macquarie's green energy development



## Opportunity

In response to the growing interest in green investment across Japan, Macquarie engaged investors extensively in the region throughout 2019 and early 2020 with the objective of issuing the Samurai green loan facility – a first-of-its-kind, green loan issued by an Australian financial institution into the Japanese market

## Actions

To demonstrate Macquarie's longstanding commitment to green energy and technology, we issued the \$US300 million Samurai loan facility (the Facility), including a \$US150 million green tranche. The Facility was arranged by Sumitomo Mitsui Banking Corporation (SMBC) and Macquarie Capital Securities Japan Limited (Tokyo Branch) with the participation of four Japanese bank financiers

## Outcomes

### First-of-its-kind

green loan issued by an Australian financial institution into the Japanese market

### \$US300 million

Samurai loan facility, including a \$US150 million green tranche

**Four Japanese bank financiers** participated in arranging the loan facility

### Eligible green projects

across all continents stand to benefit from proceeds from the loan's green tranche

Macquarie's green footprint expected to increase, with the Samurai loan building on **>10 green projects** funded by Macquarie's Green Financing transactions in 2019<sup>1</sup>

# Accelerating energy transition in the UK



## Opportunity

East Anglia ONE is one of the world's largest offshore wind farms with 102 turbines installed, contributing to the UK's target of net zero emissions by 2050

## Actions

Macquarie's Green Investment Group (GIG) acquired a 40% stake in the 714 MW East Anglia ONE offshore wind farm, adding to our extensive UK offshore wind track record

GIG was able to leverage our extensive sector experience to drive value, reduce project risk and improve project negotiations

## Outcomes

When fully operational East Anglia ONE will supply clean energy to the equivalent of over **600,000 households**

Over 50% of all project investment will be spent in the UK – with **£70 million** pledged to support businesses in the East of England

The development is supporting **thousands of jobs** throughout the supply chain

Macquarie Group, including GIG, has now supported almost **50%** of the UK's offshore wind capacity



# Installing the first commercial floating LiDAR in Korea

## Opportunity

South Korea is currently the fourth largest coal importer in the world. Fossil fuel energy accounts for nearly two-thirds of the country's electricity generation. In 2017, South Korea announced the Renewable Energy 3020 Implementation Plan ("RE3020") setting a goal to produce 20% of its energy from renewable sources by 2030

## Actions

Macquarie's Green Investment Group (GIG) has installed Korea's first floating LiDAR system – it is one of the first critical steps in the development of GIG's first South Korean offshore wind farm located 60km off the coast of Ulsan, the industrial powerhouse in Korea. The LiDAR will collect wind resource data and support GIG in designing the project and evaluating its influence on the environment, ecosystem and fishing industry



## Outcomes

**1.5GW**

offshore wind assets under development

**500MW**

is targeted for completion by 2023

**1st**

commercial floating LiDAR system installed in Korea

**2 years**

of wind-measurement campaign will commence to collect valuable data of wind resources on project design

# Facilitating Australia's transition to a lower carbon electricity system

## Opportunity

With the falling costs of new renewables and thermal generation progressively retiring, the National Electricity Market is transitioning to a lower-emissions future. This requires substantial investment in energy storage to ensure affordable, reliable, and stable energy is always available to Australian households and businesses. Snowy 2.0 is a crucial step in achieving this

## Actions

Macquarie Capital acted as sole financial adviser to Snowy Hydro on the \$A5.1 billion Snowy 2.0 expansion of the historic Snowy Mountains Scheme. Macquarie Capital worked with Snowy Hydro's management team to raise \$A3.2 billion of bilateral corporate facilities and ensure a robust, market-leading debt package was achieved

Information accurate at 31 March 2020 unless otherwise stated. 1. Including fixed escalation.  
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## Outcomes

**\$A5.1 billion**

Total project value<sup>1</sup>

**\$A3.2 billion**

Bi-lateral corporate facilities

**350,000MWh**

Deep energy storage to provide network reliability

**2,000MW**

Additional flexible renewable energy capacity

**5,000**

Direct and indirect jobs over the life of the project

# Financing the largest onshore wind farm in Europe



## Opportunity

The EU has ambitious climate and energy targets for 2030, aiming to provide affordable, secure and sustainable energy

## Actions

In its first investment outside the UK, the Green Investment Group acted as development partner and equity investor in Sweden's Markbygden ETT wind farm, with Macquarie Capital acting as financial adviser

## Outcomes

**Largest known wind power purchase agreement** in the world to underwrite supply

Committed  
**~€160 million**  
for 50% stake

Europe's **largest single-site** onshore wind farm

Uses  
**179 3.63MW**  
best-in-class wind turbines

To provide  
**650MW**  
to Nordic region



# Turning industry green with Scotland's waste resources

## Opportunity

Following a ban on waste-to-landfill and a goal to improve industry productivity, Scotland's Climate Change Plan is creating demand for a new generation of energy-from-waste infrastructure

## Actions

Macquarie's Green Investment Group (GIG) partnered with Covanta & Brockwell Energy to develop and fund a 21.5 MWe energy-from-waste combined heat and power facility in Scotland

## Outcomes

The **£210 million** facility is expected to create **500 construction jobs** and **30 long-term roles**

Transforming  
**216,000**  
tonnes p.a of waste into  
79 GWh power 81 GWh heat

Will supply **100% of chemical manufacturer CalaChem's heat and power needs** through a tailored agreement

A direct source of **heat and power** for residents of Earls Gate Industrial Park

Estimated to avoid **95 ktCO<sub>2</sub>e** per year equivalent to taking **41,500 cars** off the road



# Partnerships to develop new investment models



## Opportunity

Sweden's ambitious goal to reach net zero emissions of greenhouse gases by 2045 is accelerating efforts to develop and build new renewable project

## Actions

Macquarie's Green Investment Group (GIG) partnered with Swedish developer SCA Energy to commercialise, structure and finance a 235 MW onshore wind farm in central Sweden, including originating a 29 year fixed-volume corporate Power Purchase Agreement

## Outcomes

**Secured €270 million total funding** – committing 100% of the equity and raising ~€160 million of senior debt

Adding **235 MW** of renewable capacity in the Nordic region

**Will feature 56 4.2MW turbines from Siemens Gamesa** creating some of the largest structures in Sweden

**Originated a 29 year PPA with Norsk Hydro** – one of the largest known European power purchase agreements to date

Contributing potential CO2 savings of

**33 ktonnes p.a.** to support delivery of Sweden's climate change targets



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