

Diversity Report

Macquarie’s ongoing commitment to workforce diversity and inclusion ensures that our business remains innovative, sustainable and continues to meet the evolving needs of our clients, community, shareholders and our people.

Macquarie is committed to:

- attracting a broad range of employment candidates
- applying fair and robust selection processes
- providing a workplace that is inclusive of all individuals
- providing the relevant structures and work environment to best support our people to reach their full potential in the workplace
- allocating pay and advancement opportunities in a fair and equitable way, considering merit and the markets and business environments in which Macquarie operates
- building a diverse workforce that will achieve the best outcomes for our clients, community, shareholders and each other.

Management Committees globally, and in each Operating and Central Service Group and region, are accountable for implementing Macquarie’s diversity and inclusion objectives. They are supported by staff representatives and committees, who together respond to business or location-specific priorities and circumstances. Macquarie’s staff feel a high degree of responsibility for promoting workforce diversity and inclusion.

Macquarie continues to embed the principles of diversity and inclusion into everything it does, and this is combined with an ongoing focus on accountability and measurement. We will continue to focus on creating opportunities for all staff to demonstrate merit and their promotion readiness, and to ensure we are retaining staff through the critical mid-career levels and into senior roles.

Global diversity policy

Macquarie’s *Workforce Diversity Policy* defines Macquarie’s workforce diversity commitment and the structures in place to ensure its realisation.

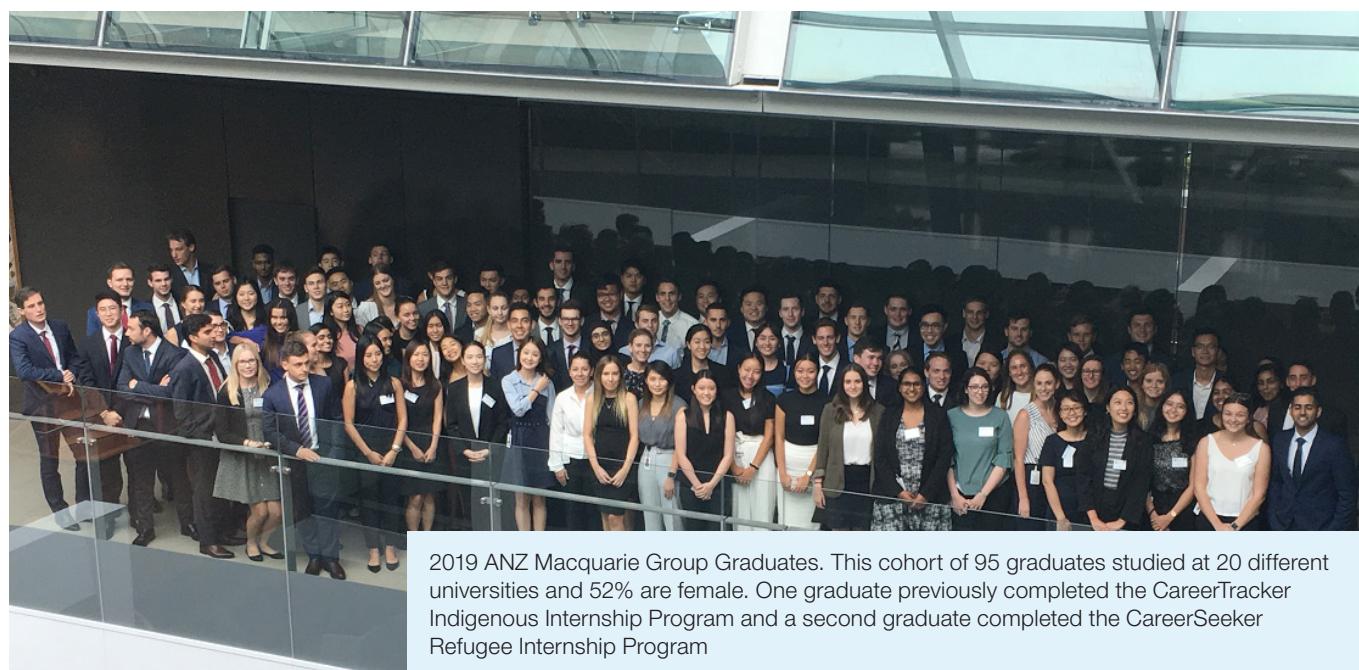


The principles contained in Macquarie’s *Workforce Diversity Policy* are incorporated in Our Commitment to diversity and inclusion statement available at macquarie.com/diversity

Composition of workforce and female representation

The table below outlines the proportion of women employed globally at Macquarie over the last five years.

As at 31 March	2015 %	2016 %	2017 %	2018 %	2019 %
Board of Directors	30.0	30.0	33.3	30.0	36.4
Executive Committee	23.1	23.1	25.0	25.0	25.0
Division Head ⁽¹⁾	16.8	18.5	21.6	23.5	23.9
Senior Executive ⁽²⁾	13.9	14.3	15.2	16.7	18.5
Macquarie Workforce	37.5	37.8	38.2	38.8	39.1



2019 ANZ Macquarie Group Graduates. This cohort of 95 graduates studied at 20 different universities and 52% are female. One graduate previously completed the CareerTracker Indigenous Internship Program and a second graduate completed the CareerSeeker Refugee Internship Program

(1) Division Head refers to critical roles across Macquarie. It typically includes executives two layers down from the CEO.

(2) Senior Executive refers to Macquarie’s combined Division Director and Executive Director population.

Diversity objectives

The *Workforce Diversity Policy* provides that each year the Board will set measurable objectives for achieving gender diversity. The Board has endorsed the diversity objectives as set out below, on which Macquarie has reported since March 2014.

Diverse workforce

Outcome sought

Increased representation of women and other traditionally under-represented groups at all levels in the Macquarie workforce.

Objective

Macquarie's objectives are to:

- increase female representation at senior leadership levels:
 - Board of Directors
 - Executive Committee
 - Division Head
 - Senior Executive
- have female representation on all recruitment shortlists and ask 'if not, why not?'
- recruit female lateral hires at least in proportion to the underlying female candidate pool as a minimum requirement
- improve gender balance on Intern and Graduate programs
- increase the number of women in the finance industry by promoting finance careers to female secondary school and university students
- continue to participate in and sponsor networking and development programs that focus on women and other traditionally under-represented groups in areas such as race/ethnicity, disability and the Lesbian Gay Bisexual Transgender and Intersex (LGBTI+) community.

Progress FY2019

Macquarie's ongoing commitment to achieving gender balance at all levels of the organisation is demonstrated by the year on year increase in female representation across Macquarie's total workforce. In FY2019, Macquarie's Board, Division Heads and Senior Executive comprise a greater proportion of females than in preceding years. Female representation on Macquarie's Executive Committee remains stable.

The majority of all roles filled globally during FY2019 had at least one female candidate on the shortlist and one or more female Macquarie staff on the interview panel. Women continue to be hired in greater proportion than the underlying female application rate. Macquarie's Intern and Graduate programs had equal representation of males and females in FY2019.

Macquarie continues to partner with development programs around the world to attract diverse talent. In Australia Macquarie continued its participation in the CareerTrackers and CareerSeekers internship programs, placing 28 students during FY2019. In the UK Macquarie participated in the Junior Associates Program, to drive social mobility. Macquarie also partnered with Out For Undergrad to host LGBTI+ student events in the US.

Macquarie's Returner Programs continue to support candidates in key global locations to reintegrate into the workforce following extended professional career breaks.

Inclusive workplace

Outcome sought

An inclusive workplace in which individuals can reach their full potential.

Objective

Macquarie's objectives are to:

- provide staff with the flexibility to manage their work and time
- maintain high return to work rates for staff on parental leave
- maintain high retention of staff returning from parental leave
- promote LGBTI+ workplace inclusion through training, sponsorships, community partnerships and participation in benchmarking indexes.

Progress FY2019

Macquarie recognises that working flexibly means different things to different people and therefore exists across Macquarie in many forms, such as different hours, locations and patterns of work. Flexibility is flexible at Macquarie. It may be utilised by staff to balance their family or carer responsibilities, further studies, sporting commitments, community work, or phased retirement. Staff may also have access to leave without pay, study and exam leave, and purchased leave.

Ultimately, Macquarie empowers its staff to manage their work and time to suit their own personal situation, and achieve their career and personal goals.

Macquarie continues to equip its people managers to lead a flexible workforce through the ongoing roll out of manager capability training and flexible working campaigns that share practical tips and information on how managers and teams can support the varied arrangements of their colleagues.

Macquarie continues to provide support to working parents and those with carer's responsibilities through initiatives such as childcare centres, backup child/adult/eldercare, nursing mothers' facilities and return-to-work coaching for parents. The vast majority of part-time and full-time employees are able to access some form of company paid parental leave provisions, which have been enhanced in key locations in FY2019.

Macquarie's global return-to-work rate was 93% in FY2019 and high retention rates continue to be achieved for staff who have taken parental leave.

Macquarie has achieved notable recognition as an employer that provides a supportive and inclusive workplace for LGBTI+ staff. Banking and Financial Services (BFS) attained Silver Employer status in the 2018 Australian Workplace Equality Index, a national benchmark on LGBTI+ workplace inclusion. Macquarie also received a score of 100% on the US based Human Rights Campaign Foundation 2019 *Corporate Equality Index* for LGBTI+ inclusion.

Diversity Report

Continued

Robust meritocracy

Outcome sought

Equity and transparency embedded in remuneration, promotion and development practices.

Objective

Macquarie's objectives are to:

- maintain pay equity for like roles and performance
- maintain equality for men and women in promotion decisions
- require that participation in development and leadership programs is representative of the underlying workforce demographics
- retain women in at least the same proportion as men.

Progress FY2019

Macquarie continues to embed equity and transparency in all people-related practices and processes. Throughout FY2019:

- remuneration outcomes were reviewed to ensure pay equity for like roles and performance across all Operating and Central Service Groups and regions. No significant differences in remuneration outcomes were found to exist between males and females for like roles and performance
- promotion decisions and outcomes were reviewed and analysed to identify any gender discrepancies. There continues to be no significant difference between rates of female and male promotion to director levels
- the female participation rate in the Macquarie Director Program, Macquarie's core leadership and development program, was higher than the underlying female population at director-level
- there was no noticeable difference between female and male turnover.

Integration and awareness

Outcome sought

Workforce diversity and inclusion is an integral part of the way Macquarie does business.

Objective

Macquarie's objectives are to:

- embed the principles of diversity and inclusion into all Human Resources-related policies, processes and programs to ensure the highest and fairest standards in how Macquarie hires, develops, pays and promotes staff
- measure and assess diversity statistics in relation to these activities and decisions, holding managers accountable for inclusive practices.

Progress FY2019

Macquarie conducted its second global Diversity and Inclusion (D&I) survey to obtain data on staff perceptions of flexibility, inclusion, advocacy and leadership behaviours. The survey has provided comprehensive data to measure progress and identify opportunities for new initiatives.

Macquarie expanded delivery of training and events providing staff with practical skills to recognise and respond to situations where non-inclusive language and behaviour are observed, and to seek out and value diverse views. These principles are also embedded in core talent programs, recruitment processes and remuneration and promotion criteria. Leadership training in building a respectful and inclusive culture has also been a strong focus.

In several regions and groups, Macquarie launched initiatives to further develop a culture of sponsorship to support female and diverse talent into leadership roles.

Macquarie's employee network groups span gender, race and ethnicity, culture and heritage, First Australians, veterans, families, wellness and LGBTI+, and provide staff with opportunities to exchange ideas, build relationships and support Macquarie's diversity and inclusion strategy. Macquarie implemented global operating principles to support employee network groups as they expand their reach and contribution to an inclusive workplace.



Further information on Diversity and Inclusion is available at [macquarie.com/diversity](https://www.macquarie.com/diversity)



Macquarie staff, including members of the Pride LGBT+ Employee Network Group and Senior Leaders celebrating 2018 Wear It Purple day to support and promote safe and accepting environments for rainbow young people

Diversity and Inclusion awards and partnerships

