

Glossary

Defined term	Definition
A	
AASB	Australian Accounting Standards Board
ABCN	Australian Business and Community Network
the Act	<i>Corporations Act 2001</i> (Cth)
ADI	Authorised deposit-taking institution
ADR	American Depository Receipt
AEC	Australian Electoral Commission
AGM	Annual General Meeting
AICD	Australian Institute of Company Directors
ALA	Alternative liquid assets
All Ords Index	All Ordinaries Accumulation Index
ALCO	Asset and Liability Committee
AMA	Advanced Measurement Approach
Annual Report	MGL's 2020 Annual Report
ANZ	Australia and New Zealand
APRA	Australian Prudential Regulation Authority
ARR	Alternative reference rates
ASIC	Australian Securities & Investments Commission
ASX	Australian Securities Exchange or ASX Limited ABN 98 008 624 691 and the market operated by ASX Limited
AUM	Assets under management
B	
BAC	Board Audit Committee
Bank Group	MBL and its subsidiaries
Banking Royal Commission	The Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry
BBSW	Australian Financial Markets Association's bank-bill rate published daily on AAP Reuters website. The Australian equivalent of LIBOR, SIBOR, etc.
BCBS	Basel Committee on Banking Supervision
BCN	Macquarie Bank Capital Notes
BEAR	Banking Executive Accountability Regime
BFS	Banking and Financial Services Group
BGCC	Board Governance and Compliance Committee
BNC	Board Nominating Committee

Defined term	Definition
the Board, Macquarie Board	The Board of Voting Directors of Macquarie Group Limited
BRC	Board Remuneration Committee
BRiC	Board Risk Committee
Businesses	The areas within the Operating Groups carrying out various operations
C	
CAF	Corporate and Asset Finance Group
CAGR	Compound annual growth rate
CCB	Capital conservation buffer
CCyB	Countercyclical capital buffer
CDS	Credit default swaps
CEFC	Clean Energy Finance Corporation
Central Service Groups	The Central Service Groups consist of RMG, LGL, FMG and COG
CEO	Managing Director and Chief Executive Officer
CGM	Commodities and Global Markets Group
CFO	Chief Financial Officer
CLF	Committed liquidity facility
COG	Corporate Operations Group
the Company, MGL	Macquarie Group Limited ABN 94 122 169 279
Comparable Key Management Personnel (Comparable KMP)	Executive KMP who were members of the Executive Committee for the full year in both FY2020 and FY2019
Conduct Risk	The risk of behaviour or action taken by individuals employed by on or behalf of Macquarie or taken collectively in representing Macquarie that may have a negative outcome for our clients, counterparties, the communities and markets in which we operate, our staff or Macquarie
The Consolidated Entity, Macquarie	MGL and its subsidiaries
Corporate	Head office and Central Service Groups including Group Treasury
CRD IV	Capital Requirements Directive IV
CRO	Chief Risk Officer
CSIRO	Commonwealth Scientific and Industrial Research Organisation
CVA	credit valuation adjustments

Defined term	Definition
D	
Deed	Deed of Access, Indemnity, Insurance and Disclosure
Deed Poll	Indemnity and Insurance Deed Poll dated 12 September 2007
DFVTPL	Designated as FVTPL
Directors	the Voting Directors of MGL (unless the context indicates otherwise)
Divisions	named divisions within Macquarie
DPS Plan	Directors' Profit Share Plan
DRP	Dividend Reinvestment Plan
DSU	Deferred Share Unit issued under the MEREP
DVA	debit valuation adjustments
E	
EAD	Exposure at default
ECAM	Economic Capital Adequacy Model
ECL	Expected credit loss
EIR	Effective interest rate
EMEA	Europe, Middle East and Africa
EPS	earnings per share
ESP	Macquarie Group Employee Share Plan
ESG	Environmental, Social and Governance
ESR	Environmental and Social Risk
EU	the European Union
Executive Director	Macquarie's most senior level of employee including Group Heads, Division Heads and senior business unit managers
Executive Key Management Personnel (Executive KMP)	Members of the Executive Committee of MGL
Executive Voting Director	an executive Board member
F	
FCTR	Foreign currency translation reserve
FIRB	Foundation Internal Ratings Based Approach
FLI	Forward looking information
FMG	Financial Management Group
the Foundation	Macquarie Group Foundation

Defined term	Definition
FRN	Floating rate notes
FVA	Funding valuation adjustment
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit or loss
G	
GDP	gross domestic product
GIG	Green Investment Group
GRI	Global Reporting Initiative
Group Head	The Head of a particular Operating or Central Service Group
H-J	
HFT	Held for active trading
HQLA	High quality liquid assets
IASB	International Accounting Standards Board
IBOR	Interbank-offered rates
IFRS	International Financial Reporting Standards
IRRBB	Interest rate risk in the banking book
K	
Key Management Personnel (KMP)	all Voting Directors and members of the Executive Committee of MGL
L	
LEADS	Leadership Advancement Development and Support
LGBTQ	Lesbian Gay Bisexual Transgender and Queer
LGL	Legal and Governance Group
LMI	Lenders mortgage insurance
Loss Given Default (LGD) Estimate	Macquarie's estimated economic loss should a counterparty default occur
LTIFR	Lost Time Injury Frequency Rate
LVR	loan to value ratio
M	
M&A	Mergers and acquisitions
Macquarie Bank, MBL	Macquarie Bank Limited ABN 46 008 583 542
Macquarie Board, the Board	the Board of Voting Directors of MGL
Macquarie, the Consolidated Entity	MGL and its subsidiaries
MAF	Macquarie AirFinance

Glossary

Continued

Defined term	Definition
MFHPL	Macquarie Financial Holdings Pty Limited
MGL ordinary shares, MQG	MGL fully paid ordinary shares
Malus	The discretion of the Board (from 2012) to reduce or eliminate unvested profit share amounts where it determines that an employee's action or inaction has caused Macquarie significant reputational harm, caused a significant or unexpected financial loss or caused Macquarie to make a material financial restatement
MAM	Macquarie Asset Management Group
Management	Division Directors and Executive Directors who have management or risk responsibility for a Division or business area
MCN2	Macquarie Group Capital Notes 2
MCN3	Macquarie Group Capital Notes 3
MCN4	Macquarie Group Capital Notes 4
MEREP	Macquarie Group Employee Retained Equity Plan
MGL, the Company	Macquarie Group Limited ABN 94 122 162 279
MIDIS	Macquarie Infrastructure Debt Investment Solutions
MIM	Macquarie Investment Management
MIRA	Macquarie Infrastructure and Real Assets
MIS	Macquarie Income Securities
MSCI	Morgan Stanley Capital International
MSIS	Macquarie Specialised Investment Solutions
N	
NCD	Negotiable certificates of deposit
NCI	non-controlling interests
NED	Non-Executive Director
NIFO	Net investment in foreign operations
NOHC	Non-Operating Holding Company
Non-Bank Group	MGL, MFHPL and its subsidiaries
NPAT	net profit after tax
O	
OCI	Other comprehensive income
OECD	Organisation for Economic Co-operation and Development
Operating Groups	The Operating Groups consist of MAM, BFS, CGM and MacCap

Defined term	Definition
Operationally Segregated Subsidiaries, OSS	The operations of some controlled subsidiaries are "segregated" from the rest of Macquarie, and a tailored Risk Management Framework may be adopted
OTC	over-the-counter
P	
PD	Probability of default
POCI	Purchased or originated credit-impairment
PPAs	power purchase agreements
PRI	UN Principles for Responsible Investment
Probability of Default (PD) Estimate or MQ Rating	An estimate of the likelihood of the rated entity defaulting on its financial obligations to Macquarie over the period of a year and should look 'through the cycle' – i.e. represent the probability of default in natural economic conditions
PSU	Performance Share Unit issued under the MEREP
PwC	PricewaterhouseCoopers
Q–R	
RAS	Risk Appetite Statement
RBA	Reserve Bank of Australia
RMG	Risk Management Group
ROE	return on ordinary equity
ROU	Right-of-use
RSU	Restricted Share Unit issued under the MEREP
S	
S&P	Standard & Poor's
Senior Executive	Macquarie's combined Division Director and Executive Director population
Scope 1	Emissions released to the atmosphere as a direct result of an activity, or series of activities controlled by an organisation. For example, emissions from natural gas and diesel usage in corporate offices.
Scope 2	Indirect emissions released to the atmosphere associated with the generation of purchased or acquired electricity, heating and cooling consumed by the organisation.
Scope 3	Indirect emissions, other than Scope 2 emissions, that are a consequence of the activities of the company but occur from sources not owned or controlled by the company. For example, emissions associated with employee travel.

Defined term	Definition
Senior Management	Members of Macquarie's Executive Committee and Executive Directors who have a significant management or risk responsibility in the organisation
SEs	Structured entities
SFE	Sydney Futures Exchange
SGX	Singapore Stock Exchange
SICR	Significant increase in credit risk
SPEs	special purpose entities
SPPI	Solely payment of principal and interest
T	
TCFD	Financial Stability Board's Task Force on Climate-related Financial Disclosures
tCO ₂ -e (Carbon dioxide equivalent in tonnes)	metric measure used to compare the emissions from various greenhouse gases based upon their global warming potential (US Environment Protection Agency)
TJ	terajoules
TSR	total shareholder return
U-V	
the UK Code	The UK Remuneration Code
VaR	Value-at-Risk
Voting Directors	the Voting Directors of MGL as defined in the MGL Constitution
W-Z	
WHS	Work Health and Safety
WHSE	work health, safety and environmental
XVA	derivative valuation adjustments, including CVA, DVA and FVA